

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

LIBRARY
U.S. DEPARTMENT OF AGRICULTURE
RECORD
NOV 6 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 1-

PRICE BOARDS WILL CLOSE NOV. 4, DUE TO DECONTROL-Washington-The closing of local price-control boards, for five years familiar guardians of a wartime economy in thousands of communities, was ordered today by Paul A. Porter, price administrator, because of the tide of decontrol.

In announcing the closing of the boards on Nov. 4, Mr. Porter said:

"The accelerated decontrol program has removed ceiling prices from the overwhelming majority of the commodities the boards supervise. Price ceilings do not remain on enough commodities to justify the expense of keeping the boards in operation."

At the same time the Office of Price Administration removed from price controls hats, handbags, neckties, belts and more than a score of other apparel items not considered basic in the ordinary wardrobe.

Household scouring powders and cleansers, alloy steel and tubing, radio parts, and dozens of other commodities and articles, including compounded medical prescriptions also were decontrolled.

- - - -

20-CENT DROP IN STEAK PRICE LEADS BREAK IN RETAIL MEAT-A 20-cent drop in porterhouse steak led a big break in retail meat prices here yesterday. The Department of Markets credited the reduction to the refusal of housewives to buy at higher prices.

The price of porterhouse steak went generally from 89 to 69 cents a pound, 5 cents above the former Federal ceiling. Pork loin roasts dropped from 69 to 63 cents a pound, compared to a former ceiling of 43 cents. The most general price yesterday for a pound of veal loin chops was 69 cents, 6 cents below Wednesday's price but 12 cents higher than the former ceiling. On Wednesday the price had been 69 cents.

Despite the price cuts, business was slow in the city's meat markets, retail and wholesale. Butchers expected a pick-up in trade today, with heavier buying for the weekend as housewives became aware of the lowered prices.

Shoppers passed up the meat counters yesterday to stand in line wherever sugar was obtainable. The sugar, freed from ships when the maritime strike ended Monday began to reach retail markets.

- - - -

SHOE DEALERS DENY SHARP PRICE RISE-There will be no immediate advances in shoe prices to the public, and when they are necessary at some later date they will be far below the ideas given by Office of Price Administration officials, according to retailers yesterday. Widespread resentment was expressed over the price agency statement that the retail level of shoe prices, following decontrol of hides, leather and shoes yesterday, would rise up to 30 percent.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

From New York Times, Nov. 1 -

NEW POLICY VOTED FOR WORLD'S FOOD-Washington-A tripartite commission of representatives from the world food trade and fiscal organization will determine the shape of any international food program that may come out of the present exploratory conference, it was disclosed today.

S. M. Bruce, chairman of the preparatory commission of the United Nations Food and Agriculture Organization meeting here, made this announcement, a significant turn in policy, at a news conference after a meeting of the commission delegates.

He declared that "at some time" there would have to be a joint committee representing the present FAO group, the preparatory International Trade Organization now meeting in London, and the World Bank and International Monetary Fund, to draw up a food program agreeable to all parties.

There is spirited debate here as to whether this decision for tripartite agreement might not indicate that the FAO preparatory commission has virtually dropped proposals by Sir John Boyd Orr, director general of the FAO, for a semi-autonomous world food board.

- - - -

U.S. ACTION ON FOOD EMBITTERS BRITISH-London-The United States Government's action in refusing to continue the procurement of food for export to Great Britain and in refusing to support Sir John Boyd Orr's plan for world food price stabilization has aroused bitter anti-American outbursts here.

At the same time, the crash of American cotton prices has greatly encouraged the belief of a large and growing section of British opinion that the United States is heading straight for another major depression.

- - - -

AWAITS DECONTROL AS AID TO COTTONS-With Government controls on the way out, the cotton textile industry will be better able to step up production to meet vast accumulated demand, W. Ray Bell, president of the Association of Cotton Textile Merchants of New York, declared yesterday.

In a statement concerning effect of the recent break in the price of cotton and imminence of decontrol, Mr. Bell said that misunderstandings of the supply and demand situation cropping up in the last two weeks were the result of declarations which "often bear the tinge of speculative cotton interest rather than the actual facts of the textile markets."

- - - -

COMMODITY PRICES RISE 0.6 IN A WEEK-Washington-Average primary market prices increased 0.6 percent in the week ended Oct. 26, chiefly because of higher prices for livestock that had been removed from CPA control in the previous week. There was a sharp break in cotton quotations from twenty year highs:

At 135.9 percent of the 1926 average, the index of commodity prices in primary markets prepared by the Bureau of Labor Statistics was 20.6 percent higher than before temporary suspension of controls at the end of June, and 28.6 percent above late October, 1945.

- - - -

From the New York Journal of Commerce, Nov. 1 -

COTTON AND HIDE ADVANCES DRIVE PRICE INDEX HIGHER - Mixed price movements featured the trading on the leading commodity markets. The over-all wholesale price level rose, however, due to the strength in cotton and hides.

The Journal of Commerce daily index of 30 sensitive commodity prices advanced 2 points to 256.3.

Cotton continued to swing erratically. On the New York Cotton Exchange, cotton futures lost heavily in early trading and then rebounded quickly to close 95 to 200 points higher. Spot cotton also scored large gains rising 95 points at Galveston. Contributing to the recovery of cotton prices was the official report by the exchange that no congestion had been found in any accounts.

No reliable price level was established for hides since the large packers refused to sell until a clearer market pattern has been established. Sales by small country dealers and packers averaged around 26¢, an increase of about 10¢ over the previous ceiling.

Offsetting these advances were the generally lower average of grain prices and the steadiness of most foods.

- - -

END OF EMERGENCY WARTIME CONTROLS TIMED FOR EARLY '47 - Washington - The Office of War Mobilization and Reconversion, in charge of preparing administration policy on emergency-powers legislation, hopes to liquidate this vast legal superstructure early next year and clear the way for the declaration of the legal end of the war.

- - -

LIVING COSTS AND WAGES - Editorial - Hourly wage rates have far outstripped the rise in living costs since 1939. While the average hourly rate in manufacturing industries has increased by 72 percent since the outbreak of the war in Europe, the consumers' price index compiled by the Bureau of Labor Statistics has increased by approximately 45 percent.

A comparison of changes in wage rates and living costs during the war period thus does not justify a further general wage boost at this time. But organized labor is now launching a major drive for new wage increases to offset the jump in living costs that has occurred since June, and that could carry further for a while. Since the chief element in the rise in the cost of living has been the advance in food prices, and since the cost of food is quite likely to decline over the coming months, a very strong case can be made for holding the line on wages at this time while expanding production is bringing down prices and living costs. As a practical matter, however, some further upward readjustment of wages may prove necessary because of labor's insistence.

- - -

RAIL CAR LOADINGS HIT 16-YEAR HIGH - Washington - The railroads loaded more freight cars during the week ended Oct. 26 than at any time in the last 16 years.

Loading of revenue freight for the seven-day period ending last Saturday totaled 942,257 cars, the Association of American Railroads announced today. This was the highest loading since the week ended Oct. 27, 1930, when the figure was 959,492, an AAR official said. Last week's carloadings were 10,491 cars above the preceding week, 87,478 cars above the corresponding week in 1945 and 25,772 above the same week in 1944.

(Turn to page 4 for other items from - - - today's N. Y. Journal of Commerce.)

UK-ARGENTINE PACT DRAWS U. S. FIRE - Washington - The United States has objected to Britain over sections of the British-Argentine economic agreement which, in view of officials here, appear to violate promises Britain made in obtaining a \$3,750,000,000 American loan.

The objections have already been expressed orally, officials said, and Secretary of the Treasury Snyder plans to follow up with a letter to London asking an explanation of one of the financial provisions in the accord.

- - -

UNION MINIMIZES FREIGHT CAR LACK - Miami Beach, Fla. - The Brotherhood of Railroad Trainmen has charged that railroad management was responsible for what it termed "sluggish movement" of raw materials and finished products to factories and retail outlets.

A. F. Whitney, president of BRT, said the Union's charges were based on results of a survey just completed, inquiring into the "so-called freight car shortage" which, he said, the rails claimed responsible for the slow movement of freight.

Whitney continued that the survey, conducted by BRT representatives on 53 large and small railroads showed that "gross inefficiency and mishandling of rolling stock by the carriers are the real reasons for the snail-like distribution of commodities to hungry markets, and not the alleged car shortage."

- - -

RESEARCH TEAM TO STUDY FREIGHT CAR PROBLEMS - The American Railway Car Institute has announced formation of a research team of engineers and transportation experts to probe into railway equipment and car-loading problems which are related to the efficiency of the nation's freight transportation services.

- - -

NITRATE SHIPMENTS HELD UP - Although the maritime strike had delayed the movement of sodium nitrate from Chile, it is generally anticipated that it will be possible to catch up with the program as set up by the International Emergency Food Council by the end of the year. All told the shipments have been delayed by about a month.

- - -

ELECTION SUGAR - Washington has asked beet processors to wire how much sugar has been sold to eastern deficit markets, how much has been shipped to date and how much they expect will be shipped by Nov. 5. The view is that immediately after the election Washington will shut off the supply of beets for the East.

- - -

COFFEE ERRATIC - Some of the leading coffee roasters will adjust upward their selling prices on coffee today from 1¢ to 5¢ a pound. After eight successive days of declining prices, during which losses ranged to 5.60¢ a pound, futures recovered about 1¢ a pound. Green coffee for shipment from producing countries, which in relation to futures were overpriced, decline 1/4¢ to 1/2¢, but spot prices are firm. The Inter American Coffee Agreement is extended for a year from Oct. 1, 1946.

From Davenport Democrat & Leader, Oct. 29 -

FARMERS UNION ACCUSES U. S. OF THREATENING TO SCUTTLE STABILIZATION OF FARM PRICES-Washington (UP)-The National Farmers union charged Tuesday that the United States was threatening to scuttle hopes for effective international stabilization of farm prices.

Russell Smith, legislative secretary of the organization, said the threat was raised by this country's apparent hostility to the proposal for a world food board to keep farm prices on an even keel thru periods of surplus or scarcity.

Smith's statement came as member countries of the United Nations food and agriculture organization continued airing their views on the world board, proposed by Sir John Boyd Orr, FAO director general.

In opening sessions Monday, the United States was definitely cool to the idea. Smith specifically criticized the evaluation of the board offered by Undersecretary of Agriculture Norris E. Dodd, the U. S. delegate to the preparatory commission.

Smith said Dodd's position "seems to be based on the assumption that future congresses of the United States will wish to continue to spend \$30,000,000,000 a year on armaments and will be unwilling to make adequate appropriations to achieve the Orr proposals."

The board would stabilize world farm prices by buying during surplus periods and selling in time of scarcity. It also would relieve the pressure during surplus periods by siphoning food into low-income countries to improve nutrition levels.

- - - - -

From St. Paul Pioneer Press, Oct. 29 -

FARMERS VENT IRE OVER FLAX ON AAA-Thief River Falls, Minn.-More than a score of irate flax farmers, blaming government maintenance of price ceilings through their marketing season for inducing them to sell their flax for nearly \$3 a bushel less than it later proved to be worth, took out their anger on the Pennington County AAA committee here.

Meeting to talk over their grievances, farmers said they had been given to understand the government ceiling of \$4 a bushel at Minneapolis would be maintained, and that they had marketed 80 to 90 per cent of their flax at \$3.70 a bushel here. Then, the ceiling went off on Oct. 17 and flax jumped to about \$6.70 a bushel. Only the farmers who had sold through those co-ops that held the flax for the price rise had any protection, it was said. Those who sold outright for cash saw the profits on the big price jump go to somebody else.

The protesting farmers marched three or four blocks down the street to the County AAA office on the second floor of the Thief River Cooperative creamery, went in and "told off" the AAA committeemen.

When the argument got hot and loud somebody sent in a call for the police. The violence, however, turned out to be not physical but verbal.

- - - - -

From Chicago Daily Tribune, Oct. 30 -

PREDICT FARM MACHINE LACK ANOTHER YEAR-Farmers may expect no substantial increase in deliveries of new farm equipment for at least another year, dealers attending the annual convention of the National Retail Farm Equipment association said yesterday.

Burl F. George of Spring Valley, Ill., chairman of the association's planning committee, estimated that farm dealers are filling only 40 per cent of orders despite production rates that in many instances equal or exceed those of pre-war years. He said he was unable to estimate when dealers will catch up.

"Manufacturers do not promise dealers any great improvement in 1947," he said.

Demand is exceptionally high for all farm equipment, and dealers report it is largest for heavy machinery, particularly machines used in seasonal work, George said. Another acute lack is that of motors for general purposes like pumping water and grinding feed.

Two biggest factors in the demand were said to be the war time emphasis on new and improved farming methods and the high level of farm income. Before the war farmers in most areas still relied primarily upon the horse for power. Today farm programs are based more on tractor power and power machinery and use of heavier and faster machines.

- - - -

From Memphis Commercial Appeal, Oct. 29 -

THE COTTON MYSTERY by Paul Mallon, Washington, - What happened to the cotton market is harder to find out here than the size of the Russian army.

Likeliest explanation is large users of cotton cloth and speculators had been buying too optimistically, figuring a continuous inflation would give them a profit any time, but found out from what has been happening to other markets since OPA disorganization that there might not be a continuous inflation after all. As a result they started running the other way at once, as fast as they had been talking the market up.

Actually the price of cotton was too high for any reasonable expectations excepting an endless rise higher and higher--in short, a further heavy inflation. It was at 40 cents a pound, actually 320 per cent above the prewar years. No wonder it fell \$25 a bale in three days and caused the exchanges to close the day thereafter, and hold the net period loss to about \$30 a bale (the recovery thereafter was weak, which tends to prove my theory).

And it is not out of natural sequence that the New York cotton cloth district now has suddenly loosened up on shirts, promising that all cotton goods including sheets, underwear and towels will be urged toward the starving consumer market. Perhaps a consumer may get what he needs without consulting a cotton-goods bootlegger.

- - - -

From Chicago Journal of Commerce, Oct. 26 -

WHEAT TO MILLS HELD AT 15-YEAR LOW BY FARMS-Farmers are withholding supplies of wheat from the market to such an extent that flour millers are pinched in their operations to an extent greater than any time in many years. This is indicated conclusively in a report to the Bureau of Agricultural Economics released yesterday which pointed out that stocks of wheat in merchant mills on Oct. 1 were lower than on this date in any of the preceeding 15 years, while farm stocks are the second largest in the 21 years they have been estimated, exceeded only on Oct. 1, 1942.

- - - -

NOV 6 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.

From New York Times, Nov. 4 -

PORTER ASKS HALT ON DECONTROLLING WAIT FOR SUPPLIES--Washington--

Paul A. Porter, Price Administrator, has asked John R. Steelman, Reconversion Director, for assurances that there will be no further decontrol of essential products and services remaining under price control until a balance of supply and demand is attained, it was learned today.

The move was said to be prompted by the fear that actions by Dr. Steelman, such as the sudden decontrol of leather and shoes, would jeopardize the retention of remaining controls.

A decision on the price administrator's representations was reported to have been put off by Dr. Steelman pending conferences with President Truman after the latter's return on Wednesday from Missouri.

It was learned also that the Office of Price Administration itself would abandon soon its efforts to retain under price control soaps and soap powders, despite their current scarcity, because the decontrol of their raw materials had made the retention of such controls "virtually impossible administratively."

On the other hand, paints, using basic ingredients in the same category as those of soap, would be kept under price control but would have substantial price increases. The increases were expected to cover eighteen types of paint and to range from 31 cents a gallon for semi-gloss to \$1.10 for outside house paint, the type least available and most urgently needed.

Dr. Steelman within a forty eight hour period last week issued two directives overriding policies and regulations of the price agency.

One of these, removing a penalty pricing provision on the delivery of cotton textiles within a 120 day period, was designed to steady the cotton market and was believed to have met with no opposition from the OPA. The other, lifting controls from hides, leather and shoes, came on Oct. 30.

- - - -

WORLD FOOD RISE DECLARED AT HAND--Washington--The Department of Agriculture said today that world food production for 1946-47 would be about 7 percent higher than last year's low figure and perhaps slightly more than the prewar average.

Computed on a percapita basis, however, the food supplies actually worked out at 5 percent lower than the prewar sum it was stated. In pointing this out, the department said a population increase of at least 7 percent must be taken into account.

Production increases were pronounced in areas stricken by war and drought, but output in many of these areas was still below average and they would require large imports, the survey stated.

Wheat production in the world for 1946 is expected to approach the prewar average of 5,900,000,000 bushels. In 1945, the figure was 5,100,000,000 bushels. Meat supplies entering world trade in 1946-47 are not expected to attain the figure of 5,900,000,000 pounds exported last year. Reduction in meat exports will occur mainly in the Western Hemisphere, particularly in the U.S. and Canada.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

From New York Times, Oct. 4 -

DECLINE IN PRICES OF WHEAT REMOTE-Chicago-Despite weakness in the cotton market early last week, wheat showed a decidedly strong undertone on the Board of Trade and prices advanced rapidly as the result of buying induced by continued purchases of cash wheat by the Government which is accumulating supplies to fill export commitments. Inasmuch as this class of buying is expected to continue heavy for several months, brokers see little possibility of any decline in prices of consequence until there is a change in the general situation. Mills also are in the market for wheat to fill sales of flour made previously and have a sufficient backlog of business to permit full time operations for several weeks. The movement of wheat to terminals continues restricted by a shortage of box cars in all parts of the grain belt and farmers are reported as holding back their wheat in parts of the Southwest in anticipation of higher prices ultimately.

- - - -

TRADE SEEKS CAUSE OF BREAK IN COTTON-King Cotton by the end of last week had partly recovered his composure after a two week fit of uncertainty and nervous selling had dragged cotton values more than \$50 a bale under 27 year peaks and forced the nation's major markets to close the futures pit three times in eleven days.

It had taken cotton nearly five months to climb 10¢ a pound. It took less than two weeks for values to tumble by the same amount.

Most persistent among the reasons advanced for the market's bobsled run was the outright assertion that cotton prices simply were too high.

The list of causes, however, went beyond this major premise, according to authorities. Among the other points advanced were these:

1. Cotton was tripped in its upward surge in the first week of Oct. when hedges were placed in the market against staple that the maritime strike had tied up at ports and interior points.

2. While cotton was in its upswing, mills had bought freely because ceiling prices on textiles were geared to the rise in futures values. When the market started to sag, however, mills foresaw lower ceilings and mill buying left the futures pit.

3. Void of support the market was vulnerable to an accumulation of liquidation and hedging. The market ordinarily could absorb a spread of hedging but it could not take a concentration of the selling.

4. Dumping of the long account of a New Orleans trader gave impetus of the liquidation wave.

5. Rapid fire and virtually unpredictable price decontrol developments added to the general unsettlement.

6. Market sentiment probably was aggravated too, when the plunge in prices set off spontaneous cries for Congressional investigation and Government control of the Exchanges.

Last week King Cotton got a grip on himself.

Sentiment was influenced as well by the Department of Agriculture's emphasis on the strong statistical position of cotton.

- - - -

From the New York Wall Street Journal, Nov. 4 -

COTTON LAND BLUES - To measure cotton-crash reaction below the Mason-Dixon line, The Wall Street Journal made a week-end survey of 10 cotton states from North Carolina to the Rio Grande. Two key findings stand out:

First, farmers who hadn't sold their cotton before the big tumble are at least tentatively curtailing plans to buy autos, farm machines, home appliances. And this worries Southern merchants.

Second, farmers generally are determined to recover lost ground by "sitting on" their unsold staple until prices rebound further.

But all this doesn't mean the South has taken the "bust" lying down. Evidence is to the contrary. Farmers have stopped selling cotton. They say they'll hold out until prices come back more. And at the week's close prices had regained about three cents a pound of the ten cents lost.

In the heart of the cotton country, there are many sober business men who shake their heads over the dangers in inflated cotton prices. "Forty-cent cotton with rayon selling at 26 cents," snapped a Charlotte, N. C., businessman, "is a pure farce. If raw cotton keeps up these shenanigans on the price ladder, textile mills are logically going to turn to a less erratic source of material for cloth making."

Heavy farmer purchases of seed and fertilizer this fall suggest that cotton growers plan larger acreages in 1947. And opinion across the cotton belt is that, unless cotton drops much below the 30-cent level, the plans for bigger cotton fields next year will be carried out.

- - -

FROZEN FOOD STOCKS HIGH; GROWERS IN FEAR PRICE BREAK IN 1947 - Chicago - With nearly half a billion pounds of frozen fruit already clogging cold storage warehouses, fruit growers face a break in 1947 prices.

Unless current Government restrictions on sugar for processing are relaxed, the National Preservers Association asserted, growers may meet heavy losses.

On October 1, cold pack fruit in storage totaled 498,580,000 pounds, 138 million pounds more than on October 1, 1945. The current figure includes little of the 1946 grape crop. With only half of the industry's sugar going into preserves, it is believed the present stock of frozen fruit for preserves would last a full two years, according to the Association.

- - -

WORLD'S COTTON CROP TO SHOW GAIN OVER 1945-46 - Washington - The world's cotton crop started to climb back toward pre-war levels this year, according to a Government survey of 1946-47 production.

If current estimates are realized, 22,050,000 bales will be picked this season, an increase of 1,610,000 over the 20,440,000 bales grown in 1945-46. Despite this increase, however, the production will still be the second smallest in 23 years. It also will be considerably below the average of 30.8 million bales grown during the five seasons before the war.

* * *

From the New York Journal of Commerce, Nov. 4 -

HOW LONG A FATS SHORTAGE? (Editorial) - The shortage of fats and oils has grown worse in several respects since the end of the war, despite the resumption of large copra shipments from the Philippines and reduced exports of such materials from this country. With output of fats and oils from domestic materials this year down over 30 percent from the record level of 1944, supplies will prove about 1,000,000,000 pounds short of the estimated demand for edible and inedible fats and oils during the current season as a whole.

The shortage of edible fats stems from greatly reduced butter production, smaller crops of cotton and other agricultural products that yield edible oils and the reduced output of animal fats from the meatpacking industry.

But the Foodstuffs Division of the Department of Commerce Office of International Trade holds out hope for a marked improvement in the supply of fats and oils next year. Larger domestic supplies are expected, particularly from the live stock industry, and to an extent from oil-yielding crops. Imports, it is predicted, should approximate 1,500,000,000 pounds, or 75 percent of the prewar level. At the same time, the larger output of fats and oils abroad will cut our exports sharply; it is anticipated.

If these expectations are fulfilled, the acute shortages of fats and oils resulting from the war may thus become a thing of the past by the end of next year.

- - -

NEW BENZENE COMPOUND MAY HELP SUGAR SHORTAGE - Chicago - A new benzene derivative 4,000 times sweeter than cane sugar, is now in production in Holland and may help to relieve the acute sugar shortage, Prof. Pieter E. Verkade of Delft Technical University, Holland, said in a report to the Chicago section, American Chemical Society.

The new substance, produced in the form of orange crystals, also promises far-reaching economies in food, candy and beverage industries, Verkade said.

- - -

SUGAR DECONTROL REPORT DENIED - A high official of the Department of Agriculture denied at the weekend that the Government contemplated early decontrol of sugar.

The official was emphatic in denying that sugar decontrol was near at hand. After conversations with him, industry executives were just as certain that decontrol was not in the cards. They pointed out that if decontrol were contemplated, the Government, which only recently asked for formation of a Sugar Advisory Committee, would certainly consult with the committee first.

In addition it was pointed out that sugar is much more involved than most of the other items currently being decontrolled. No matter what plans were made the United States could not bring about an increase in 1947 sugar plantings in areas supplying this market with the possible exception of a small increase in beets.

- - -

ASKS INVESTIGATION OF SUGAR ADVERTISEMENT - Washington - Senator Taylor (Dem., Idaho) today asked the Justice Department to investigate an advertisement offering to sell quota-free Cuban sugar. Taylor made public a telegram to Attorney-General Clark requesting that the Justice Department determine whether the company was engaged in the sale of illegal sugar or whether the advertisement was deceptive.

From Chicago Journal of Commerce, Oct. 31 -

FREE FOOD MARKET CONSUMER'S BEST PRICE SAFEGUARD by Wilbur J. Brons - War-time controls, continued in peacetime for reasons that made more political than economic sense, deprived most price tags of their real significance. This was particularly true of foods; with few exceptions, prices were arbitrarily held at levels that made heavy demands on available supplies, leaving a fringe of unsatisfied demand.

Save for sugar, syrup, and rice, food industry is now once again under a system of free prices. The probability is that competition, reduced to the vanishing point during the war, soon will become active. Meanwhile, however, some of the scarcities will continue until the pipe lines are filled.

Leaders of the industry make no secret of their belief that in the period of uncertainty immediately ahead a cautious pricing policy is merely a matter of good business. Sellers at retail are beginning to resist high prices at producer and wholesale levels for fear of being loaded down with inventories. Another factor in retailer resistance to too high prices is the alteration that consumer buying habits have undergone as a result of scarcities.

- - - -

From St. Louis Post-Dispatch, Oct. 31 -

"LET UN DO IT"-Editorial-The task of keeping alive the hungry and homeless of the world has bogged down in a slough of power politics. On no front of a none-too-hopeful world situation is the outlook bleaker than it is here.

Buck-passing and weariness with heavy responsibility are the order of the day. Both UNRRA Director LaGuardia and former Director Lehman have warned solemnly that unless relief is taken up by some other organization as soon as UNRRA lays it down, the result will be disaster.

Yet no agency is ready to pick up the burden which UNRRA will lay down in Europe two months hence and in the Far East three months later. Furthermore, there is no good reason for expectation that any will be ready.

The United States, Great Britain and Canada furnished 93 per cent of UNRRA relief. If the United Nations, into whose lap the job has been dumped, is actually to perform the work, those same three nations will still have to supply most of the leadership and most of the funds. Instead, they have thrown the responsibility onto UN as if UN were in some magic way separate from themselves. "Let UN do it" has, in this particular, become merely another way of saying "Let George do it." In food relief, UN is being used by the United States, Britain and Canada as a repository for their discarded responsibilities.

UN is supposed to handle food relief through a World Food Board, care of displaced persons through its International Refugee Organization, health work through its World Health Organization.

These are high-sounding names, but they don't mean anything, and they won't mean anything unless the United States and Britain get behind them and make them mean something.

- - - -

From Boston Herald, Oct. 31 -

21c MILK-Editorial-With groans and lamentations, milk-drinking Bostonians, attuned to three war years of artificially curbed prices, are coming up in November against 21c milk, delivered, 19½ cents at stores. This follows a one-cent increase last June and a three-cent rise in July, when the federal subsidy went off.

In the spring, Boston and the 36 cities and towns in the federal marketing area were drinking more milk than ever before, and 5% more than the previous year. After the price increases, there was less of a gain in consumption over 1945, but month by month the level has remained the highest in history, and the almost a pint a day per person is well over the pre-war three-quarters of a pint. In the spring, under the present schedule, which ties the price to the price of butter and other products and to a seasonal differential, the cost will drop from one to four cents.

What do we get in exchange for the price increase? We save a costly federal subsidy, we give the industry a larger degree of stabilization, and we supply an incentive to the farmers to even out production so that the fall and winter shortage will become less year by year. Of course cheaper milk would be more beneficial to our society, but this is probably the best compromise possible under our present economy.

- - - -

From San Francisco Chronicle, Oct. 25 -

FOR THE FARMERS' MARKET-Editorial-The Farmers' Market must soon move from Duboce avenue and Market street, and Proposition No. 17 on the city ballot raises the question whether the city should spend \$100,000 of tax funds to set it up on a new site.

There is no question that San Franciscans want the Farmers' Market continued; they voted overwhelmingly for it last November. The market does a big business. People go there to buy fruits and vegetables of lower quality and hence at a lower price than they would normally find in their neighborhood market. The stalls where the farmers offer their produce are rented from the city.

Opposition comes from the Committee Against Subsidization of the Farmers' Market, which charges that it'll be a miracle if fees collected from farmers pay off the cost of the venture. That of course is not ascertainable now. However, Chief Administrative Officer Brooks estimates that the city will get back its money in 20 years.

The Chronicle believes the Farmers' Market to be a good investment for the city in promoting good relations with surrounding agricultural regions and a legitimate outlet where people can go for low-cost produce. City Proposition No. 17 should therefore get a yes vote.

- - - -

From Des Moines Register, Oct. 29 -

SANITARY MILK IS EASY NOWADAYS-Editorial-More than 25,000 dairymen met in Atlantic City last week to pass opinions on postwar equipment designed to make milk processing more sanitary and profitable. They saw a "continuous butter plant" which discards the traditional method of churning batches of butter. The machine sucks in cream at one end, moves it automatically through sealed pipes and vats, and delivers butter in boxes at the other end. Sufficient gadgets are now offered to keep milk clean and fresh--untouched by human hands--from the time it leaves the cow until it is placed on the table.

- - - -

NOV 8 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Nov. 5 -

U.S. BLAMED IN RISE OF CANADA RICE PRICE-Ottawa-The retail price of rice has been increased 3 to 5 cents a pound by the Canadian Prices Board. Responsibility was placed on the recent OPA price ceiling rise in the United States, from which Canada imports all her rice.

Until recently the Canadian Government paid a rice subsidy to keep the price level, but the subsidy was dropped with others in line with the policy of gradual restoration of normal commerce.

In a broadcast tonight Donald Gordon, chairman of the Prices Board, said that some subsidies would be kept notably those on sugar, fats and oils because these are in such short supply that unless the Government paid the difference between the home economy level and the world price Canadians would experience difficulty in getting an adequate supply.

- - - -

INDIA'S FOOD POSITION BETTER-New Delhi-Dr. Rajendra Prasad, Food Minister, told the Central Legislative Assembly today that India had passed through her most critical period without permitting starvation but that November and December would still be anxious months. He said the monsoon rainy season had been normal on the whole and that new crops were nearly ready for harvesting.

- - - -

PRICE GOUGING LAID TO SMALL CANNERS-Small canners and food processors are taking advantage of present rising prices by refusing to ship merchandise under existing contracts unless prices higher than those called for are paid, executives of the National-American Wholesale Grocers' Association said yesterday. Wholesale grocers have been told to consult their lawyers as to what remedies they have under various State laws by the association.

- - - -

TRADERS IN GRAINS WAIT FOR ELECTION-Chicago-Trading in grain futures were restricted today as the result of the indisposition of operators to take a decided stand on either side pending the outcome of the elections today. Price fluctuations on the Board of Trade were nervous within a fair range.

Feed grains eased early in sympathy with a decline of 1 to 3 cents a bushel in cash corn, but short covering developed late in the session and a strong rally followed.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

From New York Times, Oct. 5 -

PRICES FOR COTTON OFF 7 TO 60 POINTS-In a moderate volume of business, cotton futures on the New York Cotton Exchange declined 7 to 60 points yesterday, with the distant months relatively weaker than nears.

The market opened quiet, 10 points higher to 10 points lower than Saturday's close and drifted lower on hedge selling and continued liquidation. The selling finally spent its force after prices had dropped 23 to 84 points on active months. Most of the price fixing was in the near months. Then the market recovered on short covering and some commission house buying on reports of heavy unwanted rains in Texas, Oklahoma, Arkansas, western Tennessee and southeast Missouri. These are the areas where cotton still is in the fields.

- - - -

From The Baltimore Sun, Nov. 5 -

MANY FARMS COVERED BY WHEAT INSURANCE-College Park, Md.--With 1,321 new contracts signed for wheat insurance, 41 percent of all Maryland farms which produced wheat for harvest as grain in 1946 now are covered, Joseph H. Blandford, head of the Production and Marketing Administration for Maryland announced today.

A total of 5,776 contracts will be in force next year, he said covering 6,454 farms.

- - - -

CO-OPERATIVES TAX INDORSED-Tax exemptions for cooperative trading societies were attacked last night by Hugh A. Meade, Democratic candidate for the House of Representatives from the Second Congressional district in an election eve broadcast in which he promised if elected to vote for legislation removing such exemptions.

His Republican opponent, David G. Harry, is, he pointed out, an organizer and officer of co-operatives.

"His campaign literature," said Mr. Meade of the GOP candidate, "points him out as a director and executive of the Southern States Co-operative which last year did a business of \$68,000,000 and made a profit of \$1,326,000."

"On this amount, not one single cent was paid in income taxes. If you or I had been in the same business, we would in 1946 paid out \$503,880 in Federal income taxes and \$861,900 last year.

"Those co-operatives are in direct competition with every man engaged in business, and they increase the amount of tax every income taxpayer pays."

- - - -

OYSTER DREDGING NEAR STANDSTILL-With the bottom dropped out of the market, oyster dredging is virtually at a standstill, Edwin Warfield, Jr., chairman of the State Department of Tidewater Fisheries, declared yesterday.

Mr. Warfield attributed this condition to the end of the meat control and the unseasonably hot weather in Maryland. He also stated another factor is the high cost of labor, both of fishermen and packers.

- - - -

From the Wall Street Journal, Nov. 5 -

FOOD PRICES STILL TUMBLE UNDER THE IMPACT OF MEAT DECONTROL - A retrospective glance back to Truman's turn-of-the-tide speech freezing meat in mid-October shows what's happened. Beef roast in New York is 50% below the last black market prices. Wholesale mutton and veal are below late OPA ceilings. Retail meat prices have slumped as much as 10 cents a pound in the last week alone.

Eggs in retail markets are 15 cents a dozen cheaper than a week ago. Fresh fish prices have fallen 10% to 15% in seven days. Butter dropped 6-1/2 to 8-1/4 cents a pound at wholesale last week.

In the great Wisconsin cheese country the price of cheese last Friday snapped 5 cents a pound for the sharpest break in four years. Five carloads of cheese looked for buyers and didn't find them.

The price of corn, basic meat-in-the-making grain, has skidded 25 cents a bushel in a fortnight.

- - -

FEDERAL FARM POLICY may be made in Kansas in years ahead if the Republicans carry both houses of Congress in today's voting. Sure to head up the House Agriculture Committee is able, well-liked Representative Clifford Hope, who has represented the fifth Kansas district for 20 years. And first in line for chairman of the Senate Agriculture and Forestry Committee (if he wants it) is 81-year-old Arthur Capper, also from the breadbasket state.

- - -

BETTER POTATOES are promised by new chemical growing aids. One is a "sprout inhibitor" that can be sprayed on potatoes for about 7-1/2 cents a bushel. Another is a spray that acts as an artificial frost. By withering the vines, the frost-spray eases harvesting burdens. But that isn't all. It also hardens the potatoes' skins, making them less susceptible to bruising.

- - -

RECORD BREAKING inventories of frozen fruits and vegetables were piled in cold storage warehouses at the end of September. With 498 million pounds of frozen fruits already filling warehouses, fruit growers face a break in 1947 prices, unless current government restrictions on sugar for processing are relaxed, the National Preservers Association states. Because of curbs on sugar use, production of jams and other preserves have been low despite large stockpiles of fruit. Frozen vegetable inventories rose to a high of 313 million pounds during September, compared with 187 million pounds one year ago.

- - -

FARM MACHINERY OUTPUT IN SEPTEMBER DROPPED - Washington - The output of farm machinery dropped 5% during September in comparison with August production, the Civilian Production Administration reported. Farm machinery made in September was estimated at \$63,275,584. The slight decline was attributed mainly to the fact that September had three less working days than August. Production for the third quarter, however, amounted to \$189,629,156. The CPA reported that this was about 30% higher than production of farm machinery for the corresponding period of 1945.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal)

Farm Digest 2405-46-3

From the Wall Street Journal, Nov. 5 (Cont.) -

DONALD KENNEDY TO HEAD U. S. DELEGATION TO WOOL CONFERENCE - Washington - Donald Kennedy, chief of the State Department's international resources division, yesterday was named chairman of the United States delegation to a 14-nation wool conference opening in London next Monday.

At the meeting, which is expected to last several days, nations producing a surplus of wool and consuming countries will exchange views concerning raw wool requirements and what supplies will be available.

- - -

SOAP OUTPUT AND SALES AT NEW LOW FOR THIRD QUARTER - Soap production and sales, which, due to shortages of fats and oils, declined steadily during 1945 and 1946, reached a new low in the quarter ending September 30, 1946, according to Roscoe C. Edlund, manager of the Association of American Soap & Glycerine Producers.

He received reports from 70 manufacturers who produce approximately nine-tenths of all soap made in the United States.

Total sales of soap other than liquid in the three months ending September 30 were 494 million pounds, the lowest since 1937.

* * *

From the New York Herald Tribune, Nov. 5 -

SUPER MARKETS WARNED OF RISE IN COMPETITION - Chicago - A warning of approaching days of abundant merchandise and keen competition, when the customer no longer will tolerate abuses in personal service, was sounded today by a Baltimore industrialist before the Super Market Institute at its ninth annual convention here. The speaker, C. P. McCormick, president of McCormick & Co., said that "we may not see the slashing of prices as in '32, but there will be a great deal of it in the not too distant future."

* * *

From the Milwaukee Journal, Nov. 2 -

FARM CREDIT MERGER TOLD - The merger Friday of the farm security administration and the emergency crop and feed loan section of the farm credit administration into a new agency, the farmers home administration, will have little effect on loans to farmers, Thomas C. Schmidt, state director of the FHA, said Saturday.

Schmidt said the merger would consolidate the government credit services to farm families who cannot obtain adequate credit through private or co-operative lending agencies. Farm ownership loans, as heretofore, will be made for the purchase, repair, improvement or enlargement of family type farms. They will continue to be long term loans, made for up to 40 years and carrying 3-1/2% interest rate.

* * *

From Memphis Commercial Appeal, Oct. 30 -

FARMERS STUDY GOVERNMENT LOAN CHARTS-The number of requests for charts showing the loan value of cotton under the Government loan program is increasingly hourly, bankers who had the tables printed earlier in the season for the guidance of their customers report. Which would seem to indicate that there is a growing disposal on the part of producers to consider the loan as a place of shelter until the current storm has blown over. Which is the purpose the loan was designed to fulfill.

At current prices on the market the producer can borrow as much money on his longer staple cotton as he can get by selling it. The loan value of middling 1 5-32-inch staple is 29.98 cents, while the current market value is only a shade above that.

It is the producer who is the ultimate loser in the current market decay, just as he gained temporarily through the inflated values earlier in the season. The intemperate statements of Tom Linder, commissioner of agriculture in Georgia, and J. E. McDonald, Texas commissioner, as to the potential value of cotton invited speculative and gambling interests to run the price of cotton higher than it might otherwise have gone. But now that the bubble has burst, there will be few to place the responsibility where it belongs.

- - - -

From New Orleans Times-Picayune, Nov. 1 -

HEALTHIER COTTON MARKET-Editorial-Evidently the repeated suspension of trading in cotton futures isn't being viewed with extreme gravity. Wednesday's closing shock the grain and stock markets only momentarily, indicating that the cotton situation was regarded as an isolated factor in the general economic picture. On reopening the cotton market itself came back strongly.

Obviously a decline of about \$40 a bale over a period of a couple of weeks cannot be taken lightly in the South. Nearly everybody in the cotton business, from farmer to mill, has suffered from the decline in the value of their holdings.

The reliance of cotton owners for better than "parity" prices is not in hurried conferences in Washington or the customary senatorial expostulations whenever the price of farm commodity declines. It is rather in the strong statistical position of cotton, indicated by the exceedingly small crop, good consumption and the prospect of a relatively small carryover next July. With the speculative shake-out completed, it would seem that the cotton markets are in better position than some other markets to weather the effect of any fluctuating economic developments.

- - - -

From St. Paul Pioneer Press, Oct. 31 -

ELECTRIC MERGER PLAN REJECTED, Madison, Wis.- In the climax of an election campaign in which the case is an issue, the Wisconsin Public Service commission late Wednesday reaffirmed its refusal to permit the Badger Electric cooperative of Amery to buy the property of the Wisconsin Hydro Electric Co. which serves numerous northern and western Wisconsin communities.

The commission denied the cooperative's appeal for a rehearing of the case which a month ago brought a commission decision that the cooperative's decision that the cooperative's financing plan is unsound for the proposed \$3,449,000 transaction. The cooperative proposed to borrow funds for the undertaking from the federal government through the REA.

- - - -

From Chicago Daily Tribune, Nov. 2 -

MACHINE USES INFRARED RAYS AGAINST FROST, Lansing Mich.—A new machine designed to protect farm crops and truck gardens from frost damage which operates at a cost of 75 cents an hour has been developed at the Michigan State College of Agriculture.

The machine heats the plants and soil in an acre of ground by means of an oil burning heater which sends out infra-red heat waves. The machine's designers assert it can be built for \$125 or less, with one machine serving to keep the plant and soil temperature in an acre between six and eight degrees higher than the outside air.

Mounted on a wheeled base, the machine resembles a large transformer. Tanks of fuel oil are carried on the base, and the heat is radiated from aluminum reflectors.

During tests last spring vegetation inside the area heated was kept six to eight and a half degrees warmer than in unprotected areas for three straight nights. The machine consumed 50 gallons of kerosene in 7.6 hours of operation.

The test machine built at the college cost \$250 to assemble, but the designers assert farmers could build a practical farm unit for from one-third to one-half of this amount. The college will experiment further with the machine this fall.

- - - -

From Watertown N. Y. Daily Times, Nov. 1 -

FHA OPENS NEW FARM PROGRAM—The local Farm Security Administration office opened this morning with a new name and a new program of loans and services to Jefferson and Lewis counties farmers.

County Supervisor Howard L. Howell announced at his office in the Federal building, that the new Farmers' Home Administration program, established by congress at its last session to simplify and improve credit services for farmers, is effective as of today and that the local office will be doing business as the F.H.A. rather than F.S.A. from today forward.

Mr. Howell said the new program will follow closely the ten-year-old Farm Security program of loans and supervision for farmers who have difficulty locating satisfactory credit through standard credit channels.

In Jefferson and Lewis counties, 205 farmers are now financing their operations with loans of this type, Mr. Howell said.

The Farm Security loans for farm ownership made under the Bankhead-Jones Farm Tenant act will continue much as before but with interest raised from three to three and one-half per cent.

- - - -

From Salt Lake Tribune, Oct. 31 -

HIKE IN RANGE FEE OKED BY STOCKMEN—A sweeping reorganization of federal grazing and land policy to include establishment of a bureau of land management with regional headquarters in Salt Lake City and calling for an increase in grazing fees of 3c per animal unit month will be recommended to Interior Secretary J. A. Krug by Rex L. Nicholson, Krug's special assistant.

Mr. Nicholson, who began last July a study of how the former U. S. grazing service and U. S. land offices could be combined most effectively to meet the needs of western livestock men, completed his recommendations after consultations with livestock leaders throughout the west.

- - - -

NOV 13 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409a. Phone Gene Harrison at 6212.)

From New York Times, Nov. 6 -

SENATORS EXAMINE PROBLEMS OF PRESS-Washington-About 1,500 newspaper publishers have responded to a letter sent a week ago by the Senate Small Business Committee to 10,600 newspapers in its investigation of economic problems of the American press.

The committee is seeking data on seven factors from which might arise "obstacles to free competition." A committee spokesman declined to comment on the trend of replies, saying that thus far they were not numerous enough to warrant analysis.

It was learned, however, that replies from many owners of small newspapers indicated they did not fear competition offered by rival, absentee-owned newspapers. These owners felt their communities would support any live, independent newspaper.

- - - -

DOLLAR DROP HELD A PERIL TO BRITAIN-London-The drop in the real value of the dollar has put Great Britain in an extremely serious situation, H. A. Marquand, Secretary for Overseas Trade, said in the House of Commons yesterday.

Replying for the Government in a general debate on home and foreign trade, Mr. Marquand said Britain's international economic position was much worse than was expected at the time the United States loan was debated in Commons. The main reason he cited was a decrease in the real value of the loan.

These were only a few of the remarks in the long debate that illustrated in unusually striking fashion the long shadow that the United States economy throws over Britain's economic future.

- - - -

FARM, TRADE LOANS GAIN \$137,000,000-Washington-The condition statement of weekly reporting member banks in 101 leading cities shows the following principal changes for the week ended Oct. 30, the Federal Reserve Board announced today:

Increases of \$361,000,000 in loans and \$200,000,000 in reserve balances with Federal Reserve Banks, and a decrease of \$573,000,000 in holdings of Treasury bills.

Commercial, industrial and agricultural loans increased in all districts the principal increases being \$45,000,000 in New York City, \$21,000,000 in the Chicago district and \$16,000,000 in the San Francisco district; the total increase at all reporting member banks was \$137,000,000.

(Turn to page 2 for other items - - - -
in today's NY Times.)

From New York Times, Nov. 6 -

STRAW 'CONCRETE' URGED IN HOUSING--Washington--Plastic screens, "concrete" made of staw or corn cobs, walls of paper "honeycombs" between sheets of aluminum, a steel house with a porcelain-enamelled exterior and interior.

Several light weight fiber concretes are intended for use in precast panels for walls, partitions, ceilings and even roofs of houses. Some of these "concretes" are made of waste materials such as ground up corn cobs, wood chips and cotton hulls.

- - - -

GOVERNMENT CALLS FOR MORE WORK--Washington--The Government said tonight that the nation either will have to work harder or longer hours--perhaps both--to meet its mushrooming industrial needs.

The report by the Department of Agriculture said that demand for most products still is unsatisfied although the nation's economy is running at top peace time speed. The report added that there seemed to be little else that could be done to increase industrial production.

"The production of many basic materials is now near capacity; demobilization is virtually completed and unemployment is now at a level generally considered to be close to a practical minimum," the report read in part.

"Further substantial increases in industrial production will have to be attained to a large extent by longer hours of work and by more output per worker."

- - - -

From Wall Street Journal, Nov. 6 -

GRAHAM-PAIGE NOW MAKING SUB-SURFACE FARM TILLER--Graham-Paige Motors has added a sub-surface tiller to its line of tractor drawn farm equipment. The 1,250 pound implement was designed for use in semi arid regions, and operates at a depth from four to eight inches, loosening the soil and permitting immediate planting. The company has made an initial shipment of more than 100 tillers to distributors and dealers.

- - - -

CANADIANS TO LEAVE WORLD TRADE MEETING IN LONDON IN 2 WEEKS--Ottawa--The Canadian delegation to the International Trade Conference in London is expected to leave England November 19. From communications received at the Trade and Commerce Department, the results have been meager.

There will be another meeting early next year and final conference on the ministerial level will take place in the spring. This third meeting will tell whether there is any real possibility of substantial changes in tariffs or other impediments such as quotas and embargoes.

Ottawa observers are inclined to be pessimistic about the likelihood of any important revisions, particularly after reading recent editorials in English newspapers which seem to argue for the status quo.

- - - -

From the New York Journal of Commerce, Nov. 6 -

FOOD PRICES BELIEVED PAST THEIR POSTWAR PEAK LEVELS - Chicago - Food prices, with few exceptions, have reached or passed their peak in the postwar market, with definite indications of a return to a "buyer's market" on many lines evident, distributors gathered here for the first postwar convention of the Super Market Institute said today.

Sentiment among the operators definitely indicates a curb of purchasing operations and liquidation of inventories on many food products, with the distributors letting processors and manufacturers carry the reserve stocks burden, in the opinion of representative spokesmen for the industry.

This trend, it was indicated will lead to a return to a "hand-to-mouth" purchasing policy by many large distributors, with some large food marketing organizations readjusting their purchasing schedules and inventories to the point where they will be operating on the basis of one week's supply in warehouses.

- - -

TARIFFS ABROAD HELD LINKED TO WORLD PACT, U. S. ECONOMY - Washington - The extent of tariff protection which American exporters will have to cope with in the future will be largely determined by two developments next year--the progress of world trade negotiations and the level of economic activity in the United States, Commerce Department officials said today.

Although there has been a recent tendency toward relaxation or suspension of tariffs on scarce commodities, the pressures are growing in the so-called "undeveloped" countries for the launching of industrialization and protective tariff programs, officials say.

- - -

FAO MAY TAKE OVER SOME UNRRA DUTIES - Washington - With a large number of countries faced with the prospective withdrawal of UNRRA aid after December, the Food & Agriculture Organization is exploring the possibility of moving into some of UNRRA's functions, particularly in southeastern Europe.

Sir John Boyd Orr, FAO director general, has left Washington for a tour of European countries for the purpose of studying this possibility in the light of the situation as it now exists. In its latest report, UNRRA emphasized the difficulties, both financial and technological, which UNRRA-aided countries face, with the withdrawal of this assistance and a dark picture of their outlook was drawn.

International action would have to be agreed upon, it is thought, before the assumption of any UNRRA functions could take place. The question of added funds to finance the operations would probably also arise.

- - -

BRITISH BUY COTTON FROM U. S., EGYPT - Liverpool - British purchasing of raw cotton from growers in the United States and Egypt and from Russia are continuing as offers were requested for specified staples and grades at the end of last month.

Total purchases of American cotton against the current January-February shipment schedule at prices equivalent to 145 off March New York for one-inch middling were estimated at around 70,000 bales.

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce.)

Farm Digest 2415-46

From Metropolitan Milk Producers' News, Oct. 31 -

13,600 BUSHELS POTATOES SOLD TO DAIRYMEN FOR CATTLE FEED UNDER SUPPORT PRICE PROGRAM-The 13,600 bushels of potatoes on the Maxine Bobinski farm in the town of Chateaugay, N. W., which Bobinski recently sold to the government under the support price program have been disposed of --at 20 cents a hundred-weight to serve as feed for cattle on 60 farms in Franklin county and a few in Clinton county.

Hapgood, under government orders, had sprayed the entire lot with purple dye to prevent their resale for table consumption. The dye is the same as that used to stamp meat and will not injure the animals.

Some of the farmers carried off as many as 1,000 bushels of potatoes from the Bobinski farm. It took five days to get rid of the potatoes. As many as 100 men were employed in one day shoveling from the big pile and placing the potatoes in the trucks.

Bobinski, from Riverhead, L. I., raised 60,000 bushels of potatoes on his Chateaugay farm during the summer. Because of the shipping strike, he couldn't get the potatoes moving fast enough so he sold them to the government under the support price for September which was \$1.65 a hundred pounds for grade 1 and 60 cents for grade 2.

- - - -

From St. Paul Pioneer Press, Nov. 3 -

AMERICANS SPENDING \$1,000,000 ANNUALLY FOR PREPARED DOG FEED-New York-(AP) Dogs in the United States are costing their masters between 80 million and 100 million dollars annually for canned and other types of dry or frozen dog feed.

In 1940 manufacturers produced about 20 million cases (48 cans to the case) of wet dog food. This was largely horse meat, sometimes prepared with beef fats, grain and other ingredients.

Horse meat is the basis of most wet or frozen dog feed. Manufacturers were sharply critical of UNRRA Director F. H. LaGuardia recently when he referred to "dirty horse meat" during the meat shortage.

The horse, they point out, lives on grass and grain, the same as deer, and is a far cleaner animal than a hog, which scavenges. Too, the manufacture of dog feed is regulated under state and federal supervision

- - - -

From Davenport Democrat and Leader, Nov. 3 -

MOISTURE CONTENT OF CORN IN EASTERN IOWA TOO HIGH-Eastern Iowa's corn crop, some of which is now being harvested, is not ready for cribbing because of the high moisture content of the grain. At least this is the opinion of elevator men who are running moisture tests for farmers in various sections of eastern Iowa, and the recommendation of these men is that farmers postpone harvesting until the moisture content of the corn is low enough for safe storage.

According to moisture tests made by the elevator men, there is only a very small percentage of the crop that tests as low as 20 or 21 per cent moisture content. According to the tests the average moisture content of all corn tested runs between 27 and 28 per cent.

- - - -

NOV 13 1946
(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Nov. 7 -

TRADE UNIT URGES FEDERAL ECONOMY-A nation-wide campaign to "control and drastically reduce public expenditures" was called for yesterday by the Chamber of Commerce of the State of New York.

The action was taken at the group's regular monthly meeting in its headquarters, 65 Liberty Street.

In a resolution adopted unanimously, the body held:

"It is now the appropriate time to press for drastic economy and maximum efficiency in our Federal Government."

Its statement of policy looked forward to a "peacetime ceiling on our Federal Government's budget, which, we hope, will be less than half the present budget of almost \$43,000,000,000, including taxes and net appropriations for old-age pensions."

Reduction of taxes and of the Government's force of civilian workers were among the principal recommendations approved by the 300 chamber members at the meeting.

- - - -

ARGENTINE MEAT PRICE CUT-Buenos Aires-Meat ceiling prices 25 percent below present levels will be imposed effective Dec. 1, the Argentine Government decreed today.

At the same time the Foreign Trade Promotion Institute, which controls meat exports, announced that export meat prices would be increased "not less than 30 percent for chilled and 20 percent for canned meats" above prices paid during the past two years.

- - - -

MORE SNOW IN FAR WEST-Denver-A storm which crippled Denver and the Rocky Mountain area for three days still made inter-city auto traffic hazardous. At Denver felt its coldest weather, 11 degrees above zero, since last winter, weather forecasters reported that the storm was blanketing most of Kansas, Nebraska and eastern Colorado.

At Clayton, N.M., the same storm which roared into Denver Saturday, had deposited another five inches of snow.

Traffic in some parts of western Kansas was virtually tied up today by a new snowfall.

- - - -

CITY WHOLESALERS HAVE GLUT OF MEAT-New York's oversupply of meat reached such size yesterday that freezer space was at a premium, some dealers feared spoilage and the wholesale market was demoralized by a continued drop in prices.

In the average home, however, there was not much more meat than during the scarcity of a month ago.

(From the New York Times.

More items on page 2.)

- - - -

From New York Times, Nov. 7 -

MOVES TO EXPAND SUGAR PRODUCTION-Washington-John R. Steelman, Director of War Mobilization and Reconversion, moved with two separate pricing actions today to assure maximum production of sugar by both domestic and off-shore producers.

Almost simultaneously the OWMR chief ordered into effect a new price support program for the 1947 crop of domestic beet sugar and called for revision of the 1946 sugar price program for Hawaii, Puerto Rico and Virgin Islands to bring it into conformity with the Cuban program.

The Department of Agriculture, responsible for the sugar programs, was authorized by Mr. Steelman to take both actions.

- - - -

COTTON PRICES OFF \$10 A BALE LIMIT-Prices of all cotton futures contracts dropped the permissible daily limit of \$10 a bale in early trading yesterday and final values on the New York Cotton Exchange were at the lows of the session. In New Orleans the market closed with net losses of 197 to 200 points, or \$9.85 to \$10 a bale.

Starting 13 to 43 points under Monday's close, the market here turned weak under Southern selling and pressure from New Orleans. There were reports also of hedges against cotton held at interior points by banks. Coincidentally, mill demand in the market was indifferent. Trade circles said that the mills had apparently fixed the price on all the goods they have sold and were standing off to get an idea of their December ceiling prices on cotton goods.

- - - -

GRAIN PRICES OFF CLOSE AT LOW POINT-Chicago-Grain markets were on the downgrade on the Board of Trade, today. They finished at the bottom under pressure from commission houses with Texas and Southern connections. The selling in grain coincided with a limit break in cotton, and some brokers regarded the selling as hedging against cotton.

Wheat closed down 5 cents a bushel, the limit. Corn was off 3 5/8 to 4 5/8 cents. Barley was unchanged to 2 1/2 cents. In Kansas City wheat futures lost 4 to 4 7/8 cents and in Minneapolis, 1 1/8 to 4 3/4 cents.

Stop-loss orders were uncovered on the way down, with considerable selling attributed to a statement by Senator Taft of Ohio that the country would not continue to make unlimited loans to foreign countries. Brokers regarded this as indicating a probable change in the Government relief program in Europe and the Far East. However, purchases of 300,000 bushels of cash wheat were made on Monday by the Kansas City office of the Commodity Credit Corporation.

- - - -

From the New York Journal of Commerce, Nov. 7 -

ELECTION RESULTS FAIL TO HALT SLUMP IN COMMODITY PRICES - The outcome of the elections has not changed the outlook for a decline in the commodity price level during the next few months in the opinion of industry and trade leaders.

This was amply demonstrated by yesterday's action in major commodity markets as sharp declines were the rule. Cotton and wheat once more led on the way down dropping as much as exchange rules permit for a single trading day--200 points in the case of cotton; 5¢ per bushel in the case of wheat.

(Security markets also suffered a severe setback yesterday.)

The formula generally expected to rule commodity trends over the next few months is that any further increases in individual industrial commodity fields will be offset by increasing weakness in agricultural commodities and many processed foods.

This brings into spotlight the likely Republican attitude toward agricultural price supports. As a result of the elections the power in the agricultural committees of the House and the Senate is expected to shift from the Southern cotton States to the Northern grain States.

However, commodity are of the opinion that even a Republican Congress will not repudiate the agricultural price supports written into law by the last Congress. This means that price props in all likelihood will be maintained under major agricultural commodities for some three years at a level of 90 percent of parity prices of these commodities.

- - -

MILLS LIMIT WOOL PURCHASING TO URGENTLY NEEDED GRADES - Boston - Trading in both domestic and foreign wools was extremely spotty the past several days. While there is a ready market for good foreign wools at reasonable prices, there has not been much business consummated on imported wools during the period because of limited supplies at the disposal of dealers, according to market reports.

On the other hand, demand for domestics has narrowed to the point where mills are interested only in urgently needed supplies. The majority of mills are endeavoring to hold buying to a minimum for the next couple of months in order to simplify year-end stock-taking. Consequently, volume selling is not expected to improve materially for the remainder of the year.

* * *

From the New York Herald Tribune, November 7 -

EXPANSION DUE FOR EQUIPMENT AND NEW PLANTS - Philadelphia - A joint quarterly survey by the Securities and Exchange Commission and the Department of Commerce made public here today, shows that American business, exclusive of agriculture, plans to spend approximately \$3,400,000,000 for new plant and equipment during the fourth quarter of this year.

If the anticipated expenditures for the fourth quarter materialize the estimated total expenditures for plant and equipment for 1946 would be more than 40 percent higher than the peak year of 1941, the survey showed. This percentage figure would, however, be substantially reduced when taking into account the considerable increases in prices since 1941.

* * *

From the Wall Street Journal, Nov. 7 -

NOW THEY CAN BE DITCHED - Editorial - With this year's elections over, the practical politicians in the federal control agencies have lost their last excuse for clinging to their war-emergency powers. Election returns show that a majority of the citizens are no longer deceived by the pretense that the Government can restrain prices from rising while it has no power over wages and maintains a system of support-bolstering of the primary foodstuffs markets.

Since the country has made that choice the further administration of such controls over prices, rents and materials allocations as still remain nominally in effect has become impossible. But an attempt to do the impossible, to defy the expressed will of the people, to persist in a misguided and assuredly futile effort to save the people from the consequences of their own judgment, would produce an immense crop of economic and social evils.

In yesterday's issue of this newspaper its Washington bureau described the conviction which it finds is spreading through government circles that the war-born control agencies "liquidated." It reported that Washington officialdom expects President Truman to decide very shortly whether the agencies shall be merely shorn of part of their functions or consolidated into a disappearing bureau or more summarily eliminated.

- - -

GOOD AND CHOICE STEERS and yearlings moved up another 50 cents at Chicago yesterday, establishing an early top of \$32, with some offerings held for higher values. Most good and choice grades ranged between \$24 and \$31, while comparable heifers followed the steer advance, most getting \$20 to \$27 and choice kinds \$29. Hogs held generally steady in a completely slowed up trade.

- - -

MUSHROOMING MARKET FOR SMALL PLANES RUNS INTO FIRST SETBACK - Makers of small airplanes are flying into cloudy weather.

Some personal sky-buggy manufacturers are quietly cutting production. Others are openly cutting prices. Most are tempering their ceiling-unlimited optimism of a few months back.

Few mushrooms have grown faster than the manufacture of private planes. Factories this year are hatching some 30,000 of the fledgling craft--six times the best pre-war record. And as late as Labor Day there was talk of nearly tripling the 1946 figure in 1947.

But you don't hear that talk anymore. And there are good reasons.

One is that airport facilities are hopelessly unequal to the task of caring for the new sky-full of planes.

One plane maker glumly puts it thus: "Buyers are reluctant to spend \$3,400 for a machine and have to stake it down to an open field."

The second important reason is: "Money." The lower-priced personal planes cost \$2,000 to \$3,000. More substantial ones cost \$4,000 to \$7,000. You can pay more. And most manufacturers are privately scaling down their sanguine estimates on the number of people who are going to lay out that kind of cash in 1947.

* * *

From Milwaukee Journal, Oct. 31 -

NOT HELPING FARM YOUNGSTERS-Editorial-When a packing firm bid \$35.50 a pound on T. O. Pride, the grand champion at the Kansas City Royal, this firm did more harm than good to the farm youth of America. No steer is worth that much. Destined only for the meat block, the whitefaced Hereford brought \$44,375 to 15 year old Jack Hoffman of Ida Grove, Iowa.

Why did it do more harm than good? First because such a price establishes a fantastic and ridiculous false standard before the eyes of many thousands of farm youngsters. Tossing out such money causes them to be reaching far beyond any reasonable level for a pot of gold rather than the honor of winning that championship purple ribbon and growing a better steer than any other youngster at the show.

Second such a bid on one animal is not fair to the other youngsters--the many who tried hard and came close.

The farm youth program in this country is too big and too important to have it gilded with a false valuation on one animal offered by one youngster. The 4-H and other farm club programs should never be tarnished with commercialism. If we really want to help the boys and girls, let's get back to reason.

* * * * *

From St. Louis Post-Dispatch, Nov. 5 -

CANADA'S TRADE POLICY-Editorial-While our country poises uncertain whether to embrace political reaction, Sumner Welles writes that Canadians "are moving rapidly, with determination and foresight, toward the construction of a more efficient, and more liberal, national order."

As a case in point, he reports that they have widespread misgivings about their country's agreement to sell great quantities of surplus wheat to the United Kingdom. They fear it as a backward step, possible "pernicious obstacle" to UN efforts for a return of "liberal and non-discriminatory trade."

The misgivings do our neighbors credit. However, the deal is not as bad as it seems. The terms of freer trade must still be made. The United States, for example, has still not renounced export subsidies on agricultural commodities which are a weapon of unfair competition. Second, Britain and Canada showed their good faith by including a clause terminating the wheat deal if the two countries enter any multilateral arrangement with which it is out of harmony.

That there should be multilateral trade agreements, including all the world if possible, is evident and urgent. They are needed in particular for "political problem" commodities like wheat, cotton and wool.

* * * * *

From Des Moines Register, Nov. 4 -

21,000 MORE IOWA PUPILS RECEIVING FREE LUNCHES-Nearly 21,000 more Iowa school children already are being given free lunches than were fed in all of last year. The state department of public instruction and the Iowa production-marketing administration (PMA) reported that 793 schools are participating. The final report for last year showed 783 schools co-operated in the plan. The number of pupils involved last year was 102,500. The number thus far this year is 123,425. So far this year, about 80,980 public school pupils are being served the complete lunch, about 32,295 the milk-lunch and about 1,000 the supplemental lunch.

* * * * *

From Des Moines Register, Nov. 4 -

CHURCH PARLEY TO DRAW 1,000—One thousand church, farm and government representatives will attend a National Convocation on the Church and Town and Country. Theme of the conference will be the church in relation to agricultural reconstruction, land tenure, farm labor and sharecropper, rural community agencies, and church co-operation in the rural community.

Among the main speakers will be Carl C. Taylor, of Washington, D. C., head of the division of farm population and rural welfare of the agricultural economics bureau.

A special evening session will consider ways of fulfilling principles set forth in the statement, "Man's Relation to the Land," released by the Committee on Town and Country, the National Catholic Rural Life conference and the Jewish Agricultural society.

- - - -

FAMILIAR U. S. FOOD TROUBLE FACING F. A. O. by Marr McGaffin—Washington, D. C.—Iowa farmers will detect some familiar notes in the discussions taking place during the international food and agriculture meetings here this week.

Only the terms used by the delegates of the 17 nations represented at the conference will be different. But the job of the conference, in its simplest terms, is exactly the same job, congress, farm organizations and the department of agriculture struggled over for ten years before the war turned surpluses into shortages and put plenty of dollars in consumer pockets.

The conference is attempting to develop machinery and methods which on a world-wide scale will stabilize prices for farm products at a level that will yield a fair return to the farmers and at the same time keep them low enough to encourage the greatest possible consumption.

A basic plan to set up a world food board has been advanced by Sir John Orr, director general of the food and agriculture organization (F.A.O.) which in many ways combines the major features and functions of the more familiar triple, A, Commodity Credit Corp. and the old farm security administration.

During the next few weeks, delegates to the conference will argue the pros and cons of this proposal as it affects their own particular countries.

It is based on the generally accepted fact that future world peace depends on, to a large extent, full stomachs, and prosperity resulting from expanded production and exchange of goods.

- - - -

From Watertown Daily Times, Nov. 4 -

COTTON MARKET LOSSES—Editorial—The wild advocates of throw off the rules have been rudely shocked during the past three weeks despite all the campaign cries for "free economy." The cotton market has been breaking each day with accumulated losses registering as much as \$50 a bale.

Buying rules on the cotton market have never been as strict as on the New York stock exchange. Cotton can be bought by speculators who are unhampered by margin requirements. It was a gamble and when the market broke it wiped out many.

The lesson of it all is that liberal margin regulations do not provide a buying cushion that will prevent drops. Wall Street has been arguing that if the stringent margin requirement had not been in effect, this stock decline that has continued for the last few months would never have occurred. This argument had a wide number of believers until the cotton market broke.

- - - -

14
D14 (The newspapers and magazines from which these agricultural items are taken are on file in the Press Service, Room 409. Phone Gene Harrison at 6212.)

From the New York Times, November 8 -

PENICILLIN IS SYNTHESIZED BY CORNELL MEDICAL TEAM - The synthesis of penicillin as the climax of one of the greatest international cooperative efforts of its kind is announced today in Science, official journal of the American Association of the Advancement of Science.

The synthesis is regarded by chemists as one of the greatest achievements in biochemistry, duplicating in the laboratory what hitherto could be produced only by a living mold, penicillium notatum.

It was made possible by the unprecedented mobilization of scientific talent both here and in England during the war and comes as the culmination of five years of concentrated effort by thirty-eight teams of outstanding scientists, twenty-one in the United States and seventeen in England.

The final steps in the synthesis are the outcome of the intensive researches by the team at the Cornell University Medical College of the New York Hospital-Cornell Medical Center. Most of the preliminary work was performed by American and British chemists working under the joint auspices of the Committee on Medical Research, Office of Scientific Research and Development (OSRD), Washington, and the Medical Research Council, London.

- - -

WORLD FOOD LACKS SEEN THROUGH 1947 - Lake Success, N. Y., Despite improvement this year in the world's supply of cereals, fats and oils, a pronounced discrepancy between availability and requirements in these basic food commodities will continue next year. This was revealed here today at a meeting of the United Nations' General Assembly's economic and financial committee.

In a summary of the situation, D. A. Fitzgerald, secretary of the International Emergency Food Council, told the committee that although supplies had been increased in almost every category, they still ran far short of pre-war stocks. The greatest shortage, according to Mr. Fitzgerald, is in fats and oils, and no country is satisfied with the supply available. This situation will probably continue into next year, he said. The cereal situation will be almost as acute, but in the case of sugar, although it is 10 to 15 per cent. below pre-war production, there will be less difficulty in obtaining a reasonably equitable distribution of the world's supply.

Typical of the problems facing Mr. Fitzgerald's council was the one that he cited in the case of cereals. As against 25,500,000 or 26,000,000 tons of import cereals available, importing countries have submitted requirements of 35,000,000 tons.

- - -

FARMERS NET \$2,862, Trenton, N. J. - New Jersey's 26,000 farmers were reported today by the State Department of Agriculture to have had an average net income in 1945 of \$2,862. The average gross was \$8,535, but the department said cash receipts, highest in the Northeastern area of the country were cut sharply by heavy operating expenses....The Farmer's average work week was seventy-two hours, the department said, while the State Department of Labor reported the industrial workers put in an average of forty-five and three-tenth hours. Farm production costs averaged \$5,948.....
(See page 2)

ECONOMISTS DRAFT CHINESE FARM PLAN, Nanking, China - After two months of field study twenty American and Chinese economists are now drafting a report containing recommendations for increasing the farm output of China. Their study aims at measures to improve the lot of a nation that is 75 per cent agricultural.

China's land problem bears important economic and social relations to the existence in China of a strong Communist party that is able to challenge the authority of the Central Government with troops recruited among the peasantry.

The land problem, in the view expressed today by a number of Chinese economists, is also related to the necessity of an increase in purchasing power among farm masses to absorb the production of new industries.

Ten American specialists headed by Dean Claude B. Hutchison of the University of California College of Agriculture and operating on the President's emergency funds are working on the report with the ten Chinese economists.

-- --

U.S. BEING FLOODED WITH 'PHONEY' PEPPER - Certain racketeers are flooding the country with "phony" black pepper--made of corn starch, salt and ground cottonseed hulls spiked with a dash of oil of pepper, the United Press reported yesterday.

The pepper people were indignant about it. They're afraid people will lose their taste for the genuine article if they are subjected to flavored hulls for too long.

"We hope those racketeers marketing ersatz black pepper as the real thing will be sent to jail," I. B. Catz, president of a large spice importing firm, said angrily.

In Washington, the Food and Drug Administration said it had become "quite a racket" in the last six weeks. Its agents have seized shipments of the fake article in many cities, the latest being in Atlanta yesterday.

-- --

CARLOADINGS DROP FOR WEEK IN U.S., Washington - Loadings of revenue freight for the week ended on Nov. 2 were 922,312 cars, the Association of American Railroads announced today.

This was 19,945 cars, or 2.1 per cent, fewer than for the preceding week, which was 70,350 cars or 8.3 per cent more than for the corresponding week last year and 29,243 cars, or 3.3 percent, more than during the corresponding week two years ago.

-- --

LUMBER IMPORTS MADE DUTY-FREE, Washington - Secretary of the Treasury Snyder issued regulations today permitting duty-free lumber products for a 45-day period under an emergency proclamation issued by President Truman on Oct. 25. The duty-free imports, principal purpose of which is to expedite the veterans' housing program, are expected to result in total imports of lumber and products of about 1,200,000,000 board feet this year, which is slightly more than have entered in recent years, according to experts in the office of Housing Expediter Wilson W. Wyatt's office. Mr. Wyatt's office said that in anticipation of the duty-free import period, a considerable backlog of shipments had piled up on the other side of the Canadian border awaiting issuance of instructions to customs officers.

From the New York Journal of Commerce, November 8 -

DIVERGENT MARKET CHANGES HALT DROP IN PRICE INDEX - Prices increases in fats and live stock counteracted the sharp drop in cotton yesterday to bring The Journal of Commerce daily index up 1.6 points to 252.6, the first gain in about a week.

Leading the advances in the food group were lard and butter. Cattle and hogs made substantial gains to reach their highest price level for the past week. On the wholesale level, beef and pork maintained the prices of the previous day.

Cotton again took heavy losses in both the spot and futures markets. In an erratic session on the New York Cotton Exchange, futures hit bottom and towards the close of the day rallied slightly to recover a few points.

- - -

U. S. SET TO LAUNCH PROGRAM FOR LOWER TRADE BARRIERS THROUGH RECIPROCAL PACTS - Washington - Announcement that the United States plans to proceed with negotiation of new and revised reciprocal trade agreements with as many as 18 foreign countries is expected here shortly.

As early as last December Washington issued invitations to top world trading powers to attend international sessions at which tariff barriers and imperial preferences would be swapped against one another in a major effort to open up the way to the flow of goods in world trade.

Held up first by the delayed action on the British loan agreement and later by the imminence of domestic elections, the United States program is now substantially ready to be launched. Although domestic hearings on several thousands of possible tariff concessions will thus in all probability coincide with the early weeks of the new Republican Congress, the Administration plans to proceed with the program without delay.

- - -

HIDE PRICES SOAR ABOVE OLD CEILINGS - Large sales of hides during the past few days estimated at one-half to three-quarters of a million, have established a price level for that commodity which is more than 100 percent above the old ceiling price range.

Despite widespread feeling among tanners and other raw hide and skin consumers, against these sharply higher prices, buying in the past few days has been heavy as tanners sought to secure sufficient stocks to resume at least minimum operations.

- - -

SEES MODERATE PRICE RISE FOR INSECTICIDES - Some increases in the price of agricultural chemicals can be expected during forthcoming months, but the highly competitive character of the industry assures no increases except those justified by higher material and labor costs, the Agricultural Insecticide and Fungicide Association reported yesterday.

The insecticide and fungicide market has shown no pronounced increase in costs or prices upon decontrol, the association reported. The removal of controls is constructive, it said, and will permit purchases in the world markets of available raw materials, such as arsenic, which are vitally needed.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce) - - -

From the New York Journal of Commerce, Nov. 8 (Cont.) -

AFL REPORTS RISE OF 600% FOR FOOD - Washington - The American Federation of Labor reported today that it had found retail food prices this month up as much as 600 percent over 1939 levels.

The Labor Department's Bureau of Labor Statistics, however, asserted that its retail price index showed only 86.2 percent increase for the same period.

- - -

THE FOOD TRADE STANDPOINT - Chicago - Giving full weight to forecasts by recognized economists that at least a brief recession in trade is to be looked for during the early part of the coming year, super market operators from all parts of the United States this week indicated that the industry's projected half-billion-dollar postwar expansion program will be carried to fruition.

In so far as the potential volume of sales for super market distribution is concerned, the operators expressed confidence in the industry's ability to hold its relative position in food distribution. In fact, the more optimistic predict an almost immediate resumption of the sharp rise in dollar volume which characterized the sensational expansion of the supers in the years immediately prior to Pearl Harbor, a rise which was slowed only by the supply shortages and allocation programs which wartime food controls brought.

- - -

BLACK MARKET RICE - Offerings of rice in black market circles were reported yesterday on the basis of \$15 per 100 lb. bag, delivered New York, with the understanding that this rice is billed and to be paid for when decontrol is established. The ceiling price on long grain rice is now \$9.90 a cwt., f.o.b. mill.

Blue Rose rice was reported selling here at \$13 a bag, delivered and according to quality there were other sales reported averaging as high as \$18 a cwt.

- - -

COTTON POLICY SEEN UNCHANGED IN 1947 - Washington - Continuation of the Agriculture Department's cotton export subsidy payments and retention of other cotton use programs is expected by officials of that agency despite the Republican Congressional victory, it was learned here today.

Agriculture officials are basing their supposition on the expected appointment of Congressman Clifford R. Hope of Kansas as Chairman of the House Agriculture Committee. Mr. Hope, a Republican and long-time member of the House, is considered as a strong friend of both cotton growing interests and the Agriculture Department.

It is believed that with Mr. Hope as chairman of the powerful Agriculture Committee any attempt to reduce or eliminate the 4¢ per pound cotton export subsidy could be squashed in the House. On the Senate side, the chairmanship of the Agriculture Committee is expected to pass to Senator George D. Aiken of Vermont. Officials will not hazard a guess as to whether Senator Aiken would be in favor of a change in the present program.

Officials admit that there may well be a move when the new Congress convenes to eliminate the subsidy payments.

* * *

From Milwaukee Journal, Nov. 5 -

SOUTH AMERICA BUYS HOLSTEINS, Waukesha, Wis.-There was an international air about the National Blue Ribbon Holstein cattle auction here Monday when 65 head of the registered cattle sold for an average of \$1,449.61.

Bidding on the sleek black and white cattle were well heeled bidders from 20 states, Canada and South America. Many of the high priced bulls went to the Argentine. More than 1,200 people packed the sales pavillon. The first 10 head were whooped up to bring an average of \$3,767 and the first 20 head brought an average of \$2,793. Then the sale settled down to lower bracket prices.

The bulls sold better than the cows. Several were purchased by Guillermo Bullrich, manager of the La Martone dairy farm of Buenos Aires, Argentina. There are 35,000 dairy cows on the La Martona ranch and 700 herd sires.

"We haven't seen the top yet on dairy cattle prices," said Glenn Householder, Brattleboro, Vt., extension field man for the National Holstein association. "On food and especially dairy products we are confronted with world rather than domestic demand. A hungry world is setting many of our domestic food prices and it looks as if we are going to be short of milk and dairy products for a long time."

- - - -

From Kansas City Star, Nov. 5 -

MORE FOOD BUT MORE PEOPLE-Editorial-The Department of Agriculture reports total world food production for the 1946-47 crop year to be about 7 per cent greater than last year and perhaps a little more than the pre-war average. The department explains that while the production may exceed the pre-war average, world population has increased about 7 per cent since before the war. Thus on a per capita basis, food supplies from this year's crops will be about 5 per cent below the pre-war total.

This important fact is often ignored in discussions of the food problem. In recent debates on the OPA, there were many statements about "ranges full of cattle," a "record amount of beef on the hoof" and the "full bins on farms," all of which were correct, but did not reflect the exact picture when put on a per capita basis.

Briefly, by comparison, there were 76 million people in the United States and 60 million cattle in 1900. Today there are 140 million people and 80 million cattle. So on a per capita basis, there are fewer cattle in this country today, with numbers near the all-time high, than at the start of this century. Even these figures do not lead to an absolutely correct conclusion, because that would require consideration of the division between dairy and beef cattle and of the weights at which the cattle were marketed.

The recent food shortages cannot be attributed entirely to the increase in population. The demand from people with the ability to buy has been a more important factor. But the population growth has had its influence and will continue to have it. The per capita factor must be counted in future farm programs.

- - - -

From New Orleans Times-Picayune, Nov. 5 -

SOIL AIDS SHOWS BIG GAIN IN 1946, Spartanburg, S.C.--Farmers of the Southeast did more toward solving what many consider their No. 1 problem--soil conservation -- during the first nine months of this year than during all of 1945, Regional Conservator T. S. Buie reported today.

Dr. Buie, Southeastern head of the United States soil conservation said that 38,876 farmers of nine Southeastern states had been aided up to October 1 in beginning complete soil conservation programs on 6,415,734 acres. In 1945, 29,332 farmers operating 4,990,474 acres were aided.

- - - - -

From Kansas City Times, Nov. 5 -

WASHINGTON CORRESPONDENCE by Theodore C. Alford - A Congress less sympathetic to labor probably will be less hurried than those in the new deal days to re-establish the WPA, or vote money for unemployment relief, if the public attitude does not change. Farmers also may find less enthusiasm on Capitol Hill for the voting of funds to support commodity prices, which economists say will be hard hit next year. The prevailing philosophy, also found among certain selfish business groups, of getting-while-the-getting-is-good, is blowing up the bubble which sooner or later must burst. Never was there a time when the country needed unselfish statesmanship as much as now among leaders of labor, business and agriculture.

- - - - -

From Watertown Daily Times, Nov. 5 -

DEALERS TO GET QUOTAS ON MILK, New York, (AP) - Milk dealers will be told Friday the minimum amount of fluid milk they will be required to ship into the New York metropolitan area to avoid the possibility of a milk shortage in the present short supply season.

C. J. Blanford, administrator of the New York milk marketing area, said last night:

"We have not entered the season of the year when milk supplies reach their low point. It is hoped that by the establishment of the percentage of fluid milk which dealers must ship to the area a serious shortage will be avoided this year. Indications now are that the percentage to be established will be 90 per cent."

- - - - -

From Memphis Commercial Appeal, Nov 5 -

FARMERS CAUTIONED ON IMPENDING STORM-If the Tennessee farmer is to weather the impending economic storm, he must not only patch his fences--but he must also figure out which way the wind is blowing.

Confusing gusts of Government "policies" -- subsidies, plowing-under programs and the like--are bound to follow the decline in the farmer's net income. Dr. C. E. Brehm, director of the Tennessee Extension Service and acting president of the University of Tennessee, warned nearly 500 extension workers in Memphis yesterday. I shudder to think of it. The Nation that restricts its production will be poorer instead of richer, and so will the individual farmer.

- - - - -

NOV 14 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Nov. 12 -

MAY DOUBLE QUOTA OF CORN FOR LIQUOR-The amount of corn allocated for production of alcohol and distilled spirits for the year beginning Oct. 1 will probably be twice that of the preceding twelve months, Charles F. Brannan, Assistant Secretary of Agriculture declared yesterday.

Speaking before a luncheon in the Waldorf-Astoria, sponsored by Licensed Beverage Industries, Inc., and marking the opening of the Distillers, Rectifiers and Importers Exhibit in the National Hotel Exposition, Mr. Brannan said that his prediction is based on estimates by economists in the Department of Agriculture's Bureau of Agricultural Economics.

"I want to be very clear," he emphasized, "that my statement is based only on estimates prepared by the department's economists from available information. The estimate for corn is 50,000,000 bushels. This contrasts with 25,000,000 last year and with an average of 32,000,000 in the period 1938-42."

Mr. Brannan pointed out that the allocation will result in greater amounts of by-product feed for livestock.

"The result of such an increase to the distilleries--assuming that it is a reasonably accurate estimate--would be a very substantial increase in the quantity of distillers dried grains available for feeding to livestock."

- - - -

SOVIET AIMS TO LIFT 'CO-OP' PRODUCTION-Moscow-A "Radical reorganization of the vast system of consumers' and producers' cooperatives has been decreed by the Soviet Government in an effort to develop internal trade and increase the supply of food and other goods in the nation.

The reorganization, on the basis of a decree passed by the Council of Ministers on Nov. 9, was announced this morning in an editorial in Pravda, newspaper of the Communist party. The editorial described the decree as of "extreme State importance" as it dealt with "the development of cooperative trade in food and industrial goods in towns and villages, and increasing the production of food and consumers' goods by cooperative enterprises."

- - - -

RUSSIANS PUT ON FARMS-Moscow-The Government reported today that 5,500 members of the collective farm system in the Cossack Don River area had been transferred from desk to plow as part of the program to reduce oversized administrative staffs and to correct other collective farm abuses.

In addition, the Government ordered the names of 1,500 persons stricken from collective farm personnel rolls in the same area, and these measures, the Government said, would result in a saving of 1,500,000 rubles, which will go to the farmers in increased wages.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

Farm Digest 2445-46

From New York Times, Nov. 12 -

NUTRITIONAL GAUGE DEVELOPED IN CITY-A "micromethod" suitable for quick, accurate, large scale nutritional surveys has been developed by the Public Health Research Institute of the City of New York, David M. Heyman, the President announced yesterday. The head of the quasi public agency reported to Mayor O'Dwyer on activities of the institute's fifth year.

Put to a practical test in determining the nutritional status of the German people at the request of the Surgeon General of the United States Army the new method now is being used in an attempt to gauge the nutritional level of the city's school children.

He said the new method employing an extremely sensitive microfluorometer, had been adopted by Dr. Otto A. Bessey of the division of nutrition and physiology in connection with the school survey. This is being conducted in collaboration with the Department of Health and the Board of Education.

- - - -

From New York Herald Tribune, Nov. 12 -

LONDON PARLEY DRAFTS WORLD TRADE CHARTER-London- Under the shadow of high tariffs, inevitably cast by the Republican election victory in the United States the Preparatory Committee of the International Trade and Employment Conference reported general agreement today on provisions of the proposed world trade charter dealing with restrictive business practices.

At a press conference the chairman of the committee which has been dealing with the problems, Pierre Dieterlin, of France, said the draft will establish principles of business operation "in the broadest possible terms." Then, instead of spelling out actual business practices which are to be judged as restrictive, the charter will leave it to a commission of the International Trade Organization to investigate and rule on the conduct of international business, until a firm set of precedents is established.

- - - -

From The New York Herald Tribune, Nov. 12 -

ECONOMIC FOREIGN POLICY-Editorial-Three separate agencies of the United Nations are concerned with means of stabilizing world economy to temper the cycle of prosperity and depression. The policy of the United States is not yet determined on any of the means suggested. First, there is the trade and employment conference, called by the Social And Economic Council now meeting in London. The United States has submitted to it a charter of an International Trade Organization designed to lower tariffs and abolish restrictive trade practices. Developing those policies, the Administration now has scheduled negotiations for next spring with eighteen nations to seek reciprocal tariff reductions.

The program of the United Nations Food and Agriculture Organization overlaps the interests both of the International Trade Organization and the World Bank. The fear of international depression has produced the FAO proposal for vesting control of buffer stocks of basic commodities in a world food board. The American delegation now opposes control by an international agency, whereas the British hold that some international plan of action is necessary to control commodity prices. Since any international control agency must look to the World Bank for funds, that organization too, is faced with a decision on these matters.

- - - -

From the New York Journal of Commerce, Nov. 12 -

U. S. UNITY SOUGHT ON TRADE POLICIES - Bi-partisan support for the foreign economic policies of the United States was seen essential here yesterday at opening sessions of the 33rd National Foreign Trade Convention.

Addressing the morning session of the convention at the Hotel Waldorf-Astoria, Secretary of Commerce W. Averell Harriman urged that the country's foreign economic policies be kept out of domestic politics and expressed his belief that this unity would be attained.

- - -

U. S. LINKS TARIFF REDUCTIONS WITH FAIR TRADE PRACTICES - Washington - The United States Government will attempt to obtain adherence to fair practices in international trade by foreign powers to which it will grant tariff reductions in the new reciprocal trade agreements, next spring.

The plan is to include important provisions from the proposed international trade organization charter in the new trade agreements. In effect, the United States would be swapping tariff concession in part for fair trade rules. The rules would be binding along with the tariff concessions, although final adoption of the rest of the ITO charter would not be possible until the full dress international trade conference in the late summer.

- - -

COTTON LEVELS OFF IN SHORT SESSION - Cotton futures advanced slightly and leveled off in a short session on the New York Cotton Exchange last Saturday, leaving net losses for the week of more than \$10 a bale in the distant positions. Weekly declines in current crop deliveries ranged from \$7 to \$10 a bale.

Although the general trend over the period was downward, the movement was halted and reversed by the market's reconsideration of the short supply of cotton. With domestic consumption at the annual rate of 10,000,000 bales, as indicated by August and September figures, the drop in production to only 8,487,000 bales as of Nov. 1 was seen as a supporting factor. The tight supply situation had been ignored as prices were falling almost steadily since mid-October.

Some traders remained pessimistic despite the drop in production during the month. They pointed out that carryover amounted to 7,500,000 bales and that this was sufficient, with current production, to meet the need of both domestic mills and foreign demand. The Department of Agriculture recently predicted that exports of the staple would amount to about 3,000,000 bales.

- - -

BATTERY SHORTAGE MAY TIE UP AUTOS - Detroit - Upward of 1,000,000 cars and trucks will be put out of commission with the first severe cold snap of the winter for lack of replacement batteries, it is feared in automotive circles.

Stocks of replacement batteries at manufacturing, distributing and retail levels are practically non-existent, according to the Automobile Manufacturers Association, while production is running substantially below the 1944 and 1945 levels. .

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce.)

From the New York Journal of Commerce, Nov. 12 (Cont.) -

WISCONSIN CANNERS OPEN CONVENTION - Milwaukee - Wisconsin canners and factors in the national picture are holding their 42nd annual convention here today and tomorrow to review the past year, discuss problems and plan for future operations.

Speakers during the afternoon session were Fred A. Stare, president of the National Canners Association, discussing "A Review and a Preview"; E. ... Meyer, assistant administrator, Production and Marketing Administration, United States Department of Agriculture, "Agricultural Support Prices and the Canning Industry".

- - -

SOAP DELIVERIES CONTINUE TO DECLINE - Down, down, sharply down, all through 1945 and 1946, went deliveries of most soaps, with the steepest nosedive of all occurring in the third quarter of 1946, the Association of American Soap and Glycerine Producers, Inc., reports.

Doubtless since then deliveries have tumbled still further, the group adds.

- - -

CORN WEAKNESS UPSETS GRAINS - Weakness developed in the grain markets on Saturday, corn leading the price move toward lower levels, with reports of lower cash markets, prospects of increased receipts over the holidays and the withdrawal of leading buyers from the cash markets resulting in liquidation of some holdings.

Some traders expected corn to show resistance to the current decline at around present levels. They pointed out that it is generally expected that the loan rate will be based upon Sept. 15 parity of \$1.28. The national average loan on farms would be about \$1.15, or a Chicago equivalent of around \$1.26, these traders said.

* * *

From the Wall Street Journal, Nov. 12 -

GLOBAL TRADE BARRIER - London - America's lofty charter for a brave new era in world trade is being watered down in a clash of national interests at the world trade conference here.

The charter's chief aim: To set up an International Trade Organization "to attack the trade barriers and discriminations which stand in the way of an expansion of the production, exchange, and consumption of goods."

That was the goal when the trade conference began here on October 15. But the 200 global planners, eager to guard the economic structures of the 17 nations they represent, are riddling the charter suggested by the U. S. with self-protecting loopholes.

The planners' problems grow out of a clash of highly divergent interests, inevitable in any global gathering. This clash is underlined now by a rather widespread, deep-seated fear of an imminent business slump in the United States. That, the delegates say, would certainly spell bad times for the rest of the world.

Delegates are determined to get rid of the worst restrictions with which nations strangled one another's trade in the 1930's. But each delegation wants to do it in a way that protects the economy of the country it represents.

* * *

Farm Digest 2445-46-4

From St. Paul Pioneer Press, Nov. 6 -

STEPS PLANNED TO PROVIDE ENOUGH SEED by Alfred D. Stedman-Plans to flax crushers of this area to stimulate the production of a big enough flax crop in 1947 to break or ease the present shortage of linseed products started into actual operation Tuesday. Moving to get the country in position to implement such a goal, the flax crushers took practical steps to retain here, in the face of the pull of alltime high prices on flax for crushing purposes, sufficient flaxseed from this year's crop to plant six million acres, if the government subsequently should adopt recommendations of the flax crushing industry and make the acreage the national goal. About $4\frac{1}{2}$ million bushels of flaxseed would be needed to plant such and acreage.

To prevent the excessive sale and use for manufacture of available flaxseed and to assure that enough of this year's crop is retained for planting the 1947 crop, the flaxseed crushers have organized a seed flax pool committee.

- - - -

From Iowa Farm Register, Nov. 6 -

FEEDER CATTLE MOVING INTO IOWA LOTS, Carroll, Ia.,-Thousands of beef cattle are moving into Iowa feed lots in the Carroll and Crawford county feeding areas.

The heaviest movement of cattle has taken place since price controls were removed, indicating that feeders again are willing to run the risks that always accompany fattening cattle for market.

The significant thing about the situation seems to be that feeders are planning on producing quality beef on a long-term feeding basis rather than medium quality beef on short-term feeding. Medium quality beef was the rule when price controls were in effect.

The number of cattle in feed lots is pretty close to normal. It may be a little below normal because some of the smaller feeders still feel that prices are too high.

- - - -

From Davenport Democrat and Leader, Nov. 6 -

REPUBLICANS TO HAVE LOUD VOICE IN SHAPING POLICIES AFFECTING U. S. AGRICULTURE by Ovid Martin, Washington (AP)-The Republican congressional resurgence gives that party a loud voice in helping shape government agricultural programs at a time when farming is approaching the crossroads of production and marketing theories.

With productive capacity expanded a third above pre-war levels, agriculture next year may grow more than it can market. New surpluses reminiscent of depression days would develop unless foreign demands held up better than now expected.

Republicans--thru the party's 1944 platform and thru speeches made later by their farm-minded leaders--declare they will oppose vigorously any return to control measures and subsidies.

They have said they will sponsor methods designed to expand markets and use for agriculture's full productive capacity rather than programs curtailing production.

The Truman administration's farm chief, Secretary of Agriculture Clinton P. Anderson, has said future programs should emphasize expanded markets, but he has not tossed crop control measures aside. He has, in fact, instituted a control program on potatoes next year in an effort to prevent a surplus.

- - - -

From Boston Herald, Nov. 7 -

~~NO FOOD CARTEL~~-Editorial-The gorgeous conception of a world food board empowered to buy and sell agricultural commodities in a global attempt at an "ever-normal granary" seems to have collapsed. This nation has flatly rejected the scheme before the UN's Food and Agriculture Organization, and Britain has entered a qualified negation. But the other nations are disgruntled, and the division is symptomatic of the cleavage between American policy of lifting artificial controls on private trade and the European notions of inter-governmental cartelism. Since the issue is basic, the food plan is worth examining even though dead.

The scheme proposed a board able to buy up surpluses whenever the price fell to a certain level and to sell these supplies whenever, in the alternations of apparent glut and famine, the price rose to a specified level. How, for instance, is a surplus to be established, when we have never had a real surplus? The FAO itself has reported that before the war half the world was chronically underfed. And, assuming a practical floor price could be determined what would finance the venture if that price was such as to tempt world agriculture to keep on producing more and more?

This doesn't mean that the distribution of food was all beautifully arranged before the war and needs no attention now. But the evidence is strong that too much control by tariffs, subsidized exports, barter agreements, exclusion policies and the like caused the trouble, rather than the lack of still further controls, like a supernational cartel.

- - - -

From Northwestern Miller, Nov. 5 -

~~SELECTIVE COMMITTEE~~-Editorial-We note that Secretary of Agriculture Anderson has appointed the eleven members of the new Research Advisory Committee established just before the adjournment of Congress, the appointees living in the following agricultural areas: New York, South Carolina, Ohio, New Mexico, Colorado, Alabama, Indiana, North Carolina and Washington, D. C. (three members)

States, presumably in non-agricultural areas, not represented on the committee include Illinois and all of the territory westward to the Pacific Coast and south to the Gulf, save for the "rich agricultural states" of Colorado and New Mexico.

It appears that most of the boys will have to do a power of traveling before they even come to the borders of the overwhelming majority of the nation's agricultural production. It also is worth noting that not one of the appointees is engaged either in agriculture itself or in any agricultural industry, although several are interested in farm organizations and co-operative marketing enterprises. Ho, hum.

- - - -

From Milwaukee Journal, Nov. 6 -

~~FOR CHEAPER MILK LETTER~~-Progressive firms invite criticism from their customers, with the object of ascertaining possible improvements as a means of keeping their active accounts. So this is just a little tip to the Pure Milk Products Co-operative association, one of the largest milk marketing companies in Wisconsin, and to its membership of dairy farmers who sent their delegates to Fond du Lac to take the position that it was "poor business for dairy farmers to admit that milk prices were too high." My type of business in selling contacts me with the average home owner and I find when milk is priced at 18 to 22c a quart people are forced to cut down their desire to drink milk, due to their present income. ALBERT A. JENSEN

- - - -

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 13 -

U.S. OPPOSES FOOD FUND: LACK OF GRATITUDE A FACTOR-Washington-Indications that the Administration is cool toward a proposed \$400,000,000 United Nations Emergency Food Fund for next year were seen at the State Department today. Dean Acheson, Acting Secretary, said that the time had passed for an elaborate international set-up to handle the problem.

Because the United States would presumably be the chief contributor to such an emergency fund, it was felt that with this country lukewarm toward such a project the proposal would not be enacted.

Officials have repeatedly said that should UNRRA die at the close of the year, as is now confidently believed, future funds for relief would have to come from Congress. Moreover, although it has often been said that relief would be granted on a purely humanitarian basis, there is a feeling here that gratitude on the part of recipient countries would naturally be expected, rather than a grudging acknowledgment from those who are not enthusiastic about our form of government.

Fiorello H. La Guardia, UNRRA Director General, yesterday urged the \$400,000,000 fund to tide over European countries from the end of this year to the end of the harvest next year.

When questioned about this Mr. Acheson stood on United States policy as previously outlined by officials. This is for America to consider food needs of foreign nations in particular cases and then when it is decided to favor relief for them either by grants or loans, to seek the funds from Congress.

- - - -

BIG 4 MEAT UNIONS THREATEN A STRIKE-Chicago-Ralph Holstein, president of the United Packinghouse Workers of America, CIO, said today that 200 representatives of local unions in the meat-packing industry had voted to prepare for strike action against the Big Four packing companies.

The union action was termed by Swift & Co., one of the Big Four in Chicago, as a resort to coercive tactics "at a time when we are carrying on negotiations."

The UPWA which represents 200,000 employes in the meat-packing industry, has been carrying on negotiations with the Big Four meat packers, currently with Swift, since before its union contract expired, on Aug. 11.

- - - -

ASK DEVELOPMENT OF RURAL CHURCHES-Des Moines-One thousand Protestant church leaders here to discuss the rural situation today heard Dr. Carl C. Taylor of the United States Department of Agriculture describe a trend, generations long, of a decrease in numbers and of economic security of our farm population. The delegates also received enthusiastically the plea of a Roman Catholic clergyman, the Right Rev. Msgr. Luigi G. Ligutti, executive secretary of the National Catholic Rural Life Conference of this city, to take a greater interest in "America's nursery," the countryside.

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

Farm Digest 2455-46

From New York Times, Nov. 13 -

BREAKS IN COTTON SUBJECT OF INQUIRY-Washington-N. E. Dodd, Under-Secretary of Agriculture, informed Representative Wickersham of Oklahoma today that an inquiry is under way to determine "full details" of all trading in cotton futures during the market breaks of Oct. 16 and 18.

In a letter written on last Friday, the day on which Secretary of Agriculture Clinton P. Anderson recommended that speculative transactions in futures be reduced sharply, Mr. Dodd said findings from the investigations will be used as a basis for strengthening regulatory laws on futures trading.

- - - -

BOARD OF TRADE EASES GRAIN PRICE RESTRICTIONS-Chicago-Directors of the Chicago Board of Trade voted today to raise the daily price limits in grain futures back to prewar levels, thus permitting wider fluctuations. The change will become effective on Friday.

At present grain futures prices are limited to advances or declines of 5 cents a bushel from the closing prices of the preceding day. Beginning on Friday the daily price limit of wheat, barley and rye will be doubled to 10 cents a bushel. Limits on corn and soybeans will be raised to 8 cents and on oats to 6 cents.

- - - -

EARLY LIQUIDATION CUTS GRAIN PRICES-Chicago-Further long liquidation was in evidence today in all grains early in the session on the Board of Trade, induced largely by the recent drastic readjustment in cash corn prices. The market steadied around mid day, however, and there was a good recovery throughout the list in the final hour. Short profit taking was a factor and there was also buying on the fact that cash corn offerings cleaned up nicely with a firmer tone in spot prices in the late trade.

Wheat at the close was $3\frac{1}{4}$ cent up to $1\frac{1}{4}$ cent a bushel lower than yesterday, the January leading the recovery. Corn was $\frac{1}{2}$ to 1 cent up after making new lows for the crop earlier in the day. Oats were $7\frac{1}{8}$ cent off to $1\frac{1}{8}$ cent up and barley was 1 to $1\frac{1}{2}$ cents off.

- - - -

SOAP PRICE INCREASE IS REPORTED AT 50%-Cincinnati-Price for bar and packaged soap took about 50 percent rise today, officials for two of the country's largest soap manufacturers announced.

Spokesmen for the Procter & Gamble Company, and the M. Werk Company who asked that their names be withheld, declared ingredient cost have risen as much as 100 percent since the removal of price ceilings and labor costs had risen 50 percent since soap prices last increased five years ago.

The Procter & Gamble representative said his company's small size cake of toilet soap will be sold to dealers for three cents more and that the retail price will show a corresponding rise. The price of laundry soaps, he said, will rise from 12 to 14 cents for the 21 ounce package, raising the retail price from 23 to 35.

- - - -

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 13 -

U.S. OPPOSES FOOD FUND: LACK OF GRATITUDE A FACTOR-Washington-Indications that the Administration is cool toward a proposed \$400,000,000 United Nations Emergency Food Fund for next year were seen at the State Department today. Dean Acheson, Acting Secretary, said that the time had passed for an elaborate international set-up to handle the problem.

Because the United States would presumably be the chief contributor to such an emergency fund, it was felt that with this country lukewarm toward such a project the proposal would not be enacted.

Officials have repeatedly said that should UNRRA die at the close of the year, as is now confidently believed, future funds for relief would have to come from Congress. Moreover, although it has often been said that relief would be granted on a purely humanitarian basis, there is a feeling here that gratitude on the part of recipient countries would naturally be expected, rather than a grudging acknowledgment from those who are not enthusiastic about our form of government.

Fiorello H. La Guardia, UNRRA Director General, yesterday urged the \$400,000,000 fund to tide over European countries from the end of this year to the end of the harvest next year.

When questioned about this Mr. Acheson stood on United States policy as previously outlined by officials. This is for America to consider food needs of foreign nations in particular cases and then when it is decided to favor relief for them either by grants or loans, to seek the funds from Congress.

- - - -

BIG 4 MEAT UNIONS THREATEN A STRIKE-Chicago-Ralph Holstein, president of the United Packinghouse Workers of America, CIO, said today that 200 representatives of local unions in the meat-packing industry had voted to prepare for strike action against the Big Four packing companies.

The union action was termed by Swift & Co., one of the Big Four in Chicago, as a resort to coercive tactics "at a time when we are carrying on negotiations."

The UPWA which represents 200,000 employes in the meat-packing industry, has been carrying on negotiations with the Big Four meat packers, currently with Swift, since before its union contract expired, on Aug. 11.

- - - -

ASK DEVELOPMENT OF RURAL CHURCHES-Des Moines-One thousand Protestant church leaders here to discuss the rural situation today heard Dr. Carl C. Taylor of the United States Department of Agriculture describe a trend, generations long, of a decrease in numbers and of economic security of our farm population. The delegates also received enthusiastically the plea of a Roman Catholic clergyman, the Right Rev. Msgr. Luigi G. Ligutti, executive secretary of the National Catholic Rural Life Conference of this city, to take a greater interest in "America's nursery," the countryside.

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

Farm Digest 2455-46

From New York Times, Nov. 13 -

BREAKS IN COTTON SUBJECT OF INQUIRY-Washington-N. E. Dodd, Under-Secretary of Agriculture, informed Representative Wickersham of Oklahoma today that an inquiry is under way to determine "full details" of all trading in cotton futures during the market breaks of Oct. 16 and 18.

In a letter written on last Friday, the day on which Secretary of Agriculture Clinton P. Anderson recommended that speculative transactions in futures be reduced sharply, Mr. Dodd said findings from the investigations will be used as a basis for strengthening regulatory laws on futures trading.

- - - -

BOARD OF TRADE EASES GRAIN PRICE RESTRICTIONS-Chicago-Directors of the Chicago Board of Trade voted today to raise the daily price limits in grain futures back to prewar levels, thus permitting wider fluctuations. The change will become effective on Friday.

At present grain futures prices are limited to advances or declines of 5 cents a bushel from the closing prices of the preceding day. Beginning on Friday the daily price limit of wheat, barley and rye will be doubled to 10 cents a bushel. Limits on corn and soybeans will be raised to 8 cents and on oats to 6 cents.

- - - -

EARLY LIQUIDATION CUTS GRAIN PRICES-Chicago-Further long liquidation was in evidence today in all grains early in the session on the Board of Trade, induced largely by the recent drastic readjustment in cash corn prices. The market steadied around mid day, however, and there was a good recovery throughout the list in the final hour. Short profit taking was a factor and there was also buying on the fact that cash corn offerings cleaned up nicely with a firmer tone in spot prices in the late trade.

Wheat at the close was $3\frac{1}{4}$ cent up to $1\frac{1}{4}$ cent a bushel lower than yesterday, the January leading the recovery. Corn was $\frac{1}{2}$ to 1 cent up after making new lows for the crop earlier in the day. Oats were $7\frac{1}{8}$ cent off to $1\frac{1}{8}$ cent up and barley was 1 to $1\frac{1}{2}$ cents off.

- - - -

SOAP PRICE INCREASE IS REPORTED AT 50%-Cincinnati-Price for bar and packaged soap took about 50 percent rise today, officials for two of the country's largest soap manufacturers announced.

Spokesmen for the Procter & Gamble Company, and the M. W. Park Company who asked that their names be withheld, declared ingredient cost have risen as much as 100 percent since the removal of price ceilings and labor costs had risen 50 percent since soap prices last increased five years ago.

The Procter & Gamble representative said his company's small size cake of toilet soap will be sold to dealers for three cents more and that the retail price will show a corresponding rise. The price of laundry soaps, he said, will rise from 12 to 14 cents for the 21 ounce package, raising the retail price from 23 to 35.

- - - -

From Chicago Journal of Commerce, Nov. 9 -

GRAIN TRADE MIRROR-A feeling of hesitation in the corn futures market stems from the absence of an urgent demand for cash corn. Some of the industries apparently have so much corn moving to their plants that they are obliged to cease buying temporarily. Shippers are cautious in making sales because they cannot always get cars when they want them, and some buyers probably look for big receipts next Tuesday after the long holiday and a lower market. Volume of receipts during the next week or so will depend a great deal upon the kind of weather that prevails. A period of clear and cold weather that prevails. A period of the corn and there will be less risk for the shipper and less discount for moisture in the corn.

- - - - -

From Des Moines Register, Nov. 3 -

BLAMES CHEMICAL FERTILIZER FOR DEGENERATIVE DISEASES, Miami, Fla. (AP) - Dr. James Asa Shield, assistant professor of neuro-psychiatry of the Medical College of Virginia, Thursday said food produced from soil fertilized with chemicals has caused an increase of degenerative diseases in the United States.

Shield told the Southern Medical association's convention that one degenerative disease, multiple sclerosis, is virtually unknown in the orient, where natural manures and plant refuse are used as fertilizers.

He said the death rate from the disease in the United States is almost as high as the infantile paralysis death rate.

Inorganic chemical fertilizers "at times disturb the chemical balance of the soil and in turn affect the health of the animals that feed on the crops," the doctor reported.

Dr. Shield said several European countries that use chemical fertilizers have a high incidence of sclerosis and other degenerative diseases. "The doctor must demand that the agriculturist produce a food that will meet the multiple cell needs for best growth, development and function."

- - - - -

From New Orleans Times-Picayune, Nov. 8 -

BIG CHANCE SEEN IN DEHYDRATION, Shreveport, La.,-Dehydration offers southern agriculture a chance to throw off its dependence on the corn belt for livestock feeds, speakers at the Ark-La-Tex Chemurgic Conference declared Wednesday.

Speakers emphasized that dehydration has opened up new opportunities for the South to become agriculturally independent, and to improve the living and income standards of its farmers.

Lt. Wells, Atlanta, said that dehydration offers the South a chance to produce the carbohydrates which it has been importing. He said that citrus pulp and peel, sweet potato and forage crop dehydration afforded the principal sources of feed at present. Edward F. Kield, Jr., Shreveport, said that low-cost dehydrating operations make it possible for small groups of farmers or large-scale planters to install their own plants and maintain them at a profit.

- - - - -

From St. Paul Pioneer Press, Nov. 7 -

CONTROL SHIFT MAY REVAMP AAA, REA by Alfred D. Stedman-Future status of the AAA, the REA, soil conservation and price, support programs Wednesday as stormy issues of the period ahead as a result of the landslide that swept Republicans into control of both houses of the new Eightieth Congress, convening in January.

A far reaching shake-up of federal farm affairs will be touched off in the new congress by a complete turnover to Republican control of all congressional committees, including those handling farm legislation, farm appropriations and taxes affecting farmers and their co-ops.

Anticipating a conservative turn and retrenchment on federal aids to agriculture, the American Farm Bureau federation, National Grange, the national cooperative organizations and other farm associations will become exceedingly active in conventions in the coming months in efforts to influence events in Washington.

One aim of these efforts will be to prevent the expected conservative turn from surging, "too far to the right for the best interests of agriculture."

With regard to the AAA, there now looms as an internal policy issue for the GOP the question whether to maintain the AAA county and community committee system, abolish it, or reorganize it.

A related question coming up is whether GOP party policy will favor or oppose federal programs for adjusting farm production and avoiding surpluses, which has been one of the main functions of the AAA committees whenever surplus problems were acute.

Another issue that may pop into action momentarily is whether the GOP is to demand prompt declaration of ending of the war, one effect of which would be to limit the guaranty of 90 per cent of parity on basic farm prices of 1947 and 1948. The rural electrification program being carried out by the rural electric cooperatives with the help of federal credit has not been a political issue in the Midwest and has had strong support of members of both parties, but there is some concern over possibilities of strengthened opposition in the new Congress.

- - - - -

From New York Times, Nov. 12 -

AGRICULTURE CARRIES ON-Editorial-American agriculture is to be on a wartime basis for at least another year. Secretary Anderson, in setting the 1947 production goals for America's farmers, calls for the cultivation of 358,500,000 acres, a total about 3 per cent higher than that actually worked in 1946. Admitting that this is "a larger acreage than is desirable," he adds, nevertheless: "We must postpone the return to peacetime levels so long as the world continues to need the things our farmers produce."

The logic of this statement will hardly be seriously questioned. There are at least three urgent reasons for continuing farm production under forced draught for another crop year. The first of these is related directly to the decontrol of domestic prices. It is a truism that production is the best defense against inflation, and this applies with respect to agriculture as well as industry. A second reason for postponing agricultural decontrol is the need for combating shortages in such specific and important categories as fats, oils and sugar, and finally, there is the job of making up war-created and drought-created food shortages in other parts of the world.

- - - - -

2
(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 14 -

SOVIET SCORES USE OF FOOD IN POLITICS-Lake Success-Directing his remarks at the United States and other principal food-exporting countries, Andrei A. Gromyko of the Soviet Union called on the United Nations today to take drastic measures to solve the critical world food shortage.

Mr. Gromyko culminated his blunt speech with a six-point resolution, which he submitted for the consideration of the General Assembly's economic and financial committee. In it he denounced the use of food for political purposes and demanded that food-exporting countries take adequate steps to economize on domestic consumption to increase their exports.

Earlier, Percy Wells, British delegate, agreeing that the food shortage unquestionably was the primary problem facing the world, declared that if countries were sincere, there need be no clash of ideologies, no recriminations or mistrust. However, if the United Nations mean to tackle the problem, he said, let there be one object in mind--the welfare of the sufferers.

After the Soviet delegate had spoken, Adlai Stevenson of the United States pointed out that, with the increasing demand from deficit areas for essential supplies, the United States was taxing all its transportation facilities and equipment to the limit.

With these facilities limited, he pointed out, additional conservation measures on the use of grain would not increase total exports during the present crop year. Mr. Stevenson added that in view of the continuing need for American farm products in the world, United States agriculture would continue on an emergency basis for at least another year.

- - - -

TO SELL CREAMERIES SHARES-An underwriting group headed by Kidder, Peabody & Co. and Mitchum, Tully & Co. will offer to the public today a new issue of 116,986 shares of \$1 per value common stock of Creameries of America, Inc. at \$22.75 a share.

Of the proceeds, about \$1,000,000 will be used for additions and improvements to the company's plants and to buy machinery and equipment. The amount of \$900,000 will be used to pay off bank loans incurred in expanding inventories required by business expansion. The company processes and distributes dairy products and frozen foods in seven western States and Hawaii.

- - - -

COTTON HAS BREAK PARTIAL RECOVERY-Fluctuating over a wide range, the cotton futures market on the New York Cotton Exchange closed yesterday 1 to 27 points net lower than on Tuesday. The near months were relatively steady.

The market opened 8 points higher to 30 lower than the previous close and went to 9 points up to 20 down. These were the best levels of the day. The market then broke sharply.

At the bottom prices were 70 to 132 points net lower. This decline was laid to hedge selling, particularly from the Memphis territory. Large mills were reported to be offering cotton goods to exporters in volume.

From New York Times, Nov. 14 -

PRICES ARE HIGHER ON GRAIN MARKET-Chicago-Led by corn and oats futures the grain market on the Board of Trade was stronger today, the one exception being July wheat.

November and December oats advanced sharply, while the deferred deliveries which have been relatively strong for some time, failed to move up much.

In corn, January was the strong feature, reflecting a firmer tone in the cash market.

Wheat held in a narrow range for the old crop months. Buying was not aggressive, although the elimination of export licenses on flour sales to many countries was a bullish feature.

A big export business in flour is in prospect and mills already have booked large orders to Brazil and other Latin-American countries and to Cuba, the Philippines and China. Flour mill output last week was 3,892,000 sacks, which was near the record volume.

- - - -

U.N. DELEGATIONS SKEPTICAL OF U.S. ATTITUDE ON UNRRA-Lake Success-According to impartial studies available here, Director General F. H. La Guardia of the UNRRA did not exaggerate when he announced on Tuesday that at least \$400,000,000 would be necessary to continue during 1947 the supply of food, farm machinery, fertilizer and transport necessary for the war devastated countries of Europe.

Mr. La Guardia's estimate was confined to the countries in Europe now receiving the UNRRA's help or of such countries as France and Belgium, which are considered capable of paying their own way if necessary with additional help from the United States. Nor was he referring to China or to any of the territories in the Far East affected by the war.

His statement applied to Czechoslovakia, Poland, Greece, Yugoslavia, White Russia and the Ukraine, as well as the former enemy countries of Italy and Austria. The UNRRA's relief shipments to all these will stop around Dec. 31. Its refugee work will keep going until June 30. By that time, unless the current dispute between the United States and the Soviet Union over the purposes of the proposed International Refugee Organization prevents action by the United Nations General Assembly the IRO should be ready to take over the care of 900,000 to 1,000,000 refugees and displaced persons.

Despite all the talk that the Export-Import Bank and the World Bank are in a position to supply this help, they are not authorized to make loans to buy food. Any money the United States provides, in fact, will have to be voted by the new Republican Congress. It is not likely that it will jump at the opportunity to give any help to the countries within the Russian orbit.

This apparently ineluctable difficulty results, according to many who have studied the problem, from the State Department's unwillingness last summer to ask another UNRRA appropriation, or even to indicate that one might be needed.

- - - -

From the Wall Street Journal, Nov. 14.-

UNEASY EXPORTERS - Foreign traders are beginning to wonder if Uncle Sam's world of booming exports isn't a \$10 billion fool's paradise.

Selling your wares at such a high-flying yearly rate brings a great feeling. But when you know your customer's pocket is about empty of coin, with little prospect of a refill unless you lend it to him, you start some sober thinking.

This sort of thought, beneath a bright surface of hopeful optimism, pervaded the 33rd National Foreign Trade Convention closing in New York yesterday.

Exports worth \$826 million poured from U. S. ports to an eagerly receptive world in July. Shipments worth \$882 million went forth in August. The September total was \$641 million. Comparing these figures with the pre-war (1936-38) monthly average of less than \$250 million, foreign traders ask how long it can last.

They don't have to look far to see where the money has been coming from so far. One of the experts at the convention summed it up thus:

"Foreign nations have been buying our exports (1) with dollar surpluses built up during the war--like the Latin American countries--or (2) with money shipped out of the countries before the war, or (3) with loans from the Export Import Bank."

Then the same expert added this end-of-the-line note:

"They will soon run out of dollars and will have to borrow more money--or sell to the United States."

To which arises the stone-wall question: Sell what?

And finding an answer is not easy.

- - -

FLOUR EXPORT LICENSES NO LONGER REQUIRED ON DELIVERY TO SOME AREAS - Washington - Export licenses on flour shipments to Latin America, the Philippines and a number of other areas will no longer be required, the Commerce Department said.

Simultaneously, the Department of Agriculture announced changes in its milling regulations establishing milling quotas for those countries freed from export controls.

The Agriculture Department also authorized flour millers to begin deliveries against their December domestic flour distribution quotas. These deliveries are being permitted, the announcement said, because of cumulative delays caused by the maritime strike in making export shipments of flour.

- - -

COTTON EXCHANGES MAP CREDIT, MARGIN NEEDS - Committees of the New York, New Orleans and Chicago cotton exchanges are discussing credit and margin requirements. Their purpose is to strengthen the cotton market structure in the interest of the entire cotton trade.

Frank J. Knell, president of the New York Cotton Exchange, said: "We recognize a need for the tightening of some regulations. We wish to make our own changes, if any, and recommendations will be made from reports, submitted by the conferees."

The initiative taken by the cotton exchanges to tighten up rules for futures trading parallels to an investigation under way by the Department of Agriculture into the causes of the market break in the latter part of October.

Last Friday, Secretary of Agriculture Anderson recommended that curbs be placed on cotton futures trading to limit speculative activity.

(Turn to page 4 for other items from - - -
today's Wall Street Journal.)

Form Digest 2465-46-3

From the Wall Street Journal, Nov. 14 (Cont.) -

RAW WOOL STOCKS HIT NEW PEAK - Washington - Commercial stocks of raw wool were the largest on record on September 28, the inventory date, the Bureau of the Census stated. Stocks totaled 594 million pounds, 5% higher than at the end of the previous quarter and the sixth consecutive quarterly rise since April 1, 1945.

Stocks of domestic apparel class wool, amounting to 296 million pounds on September 28, were about 12% larger than those reported on June 29. Stocks of carpet class wool were about 5% larger than in the previous quarter.

* * *

From the New York Journal of Commerce, Nov. 14 -

U. S. URGED TO BACK BUSINESS ABROAD - Strengthening of the United States' foreign economic policy to insure greater protection for American business interests abroad and bi-partisan support for such a program was unanimously recommended yesterday in the Final Declaration of the 33rd National Foreign Trade Convention.

After specifying disabilities under which American business might have to operate unless protected by an international agreement, the Declaration calls on the Department of State to make an unequivocal statement in this regard so that no misconception of the American attitude will arise in other countries.

While noting that such protection can be provided in modern Treaties of Friendship, Commerce and Navigation, the delegates ask the Government to urge adoption of an International Code of Fair Practices and Business Ethics.

- - -

QUOTAS ARE URGED ON U. S. PAPER NEEDS - Washington - A voluntary percentage-of-production program for supplying the Government's paper requirements was recommended by the groundwood, book and writing paper Industry Advisory Committee at a recent meeting, the Civilian Production Administration said today.

Meeting with CPA to tackle the problem of alleviating a shortage so acute that some Government printing presses have been paper-starved into idleness, representatives of the paper industry proposed that every mill accept its share of Government orders.

Although some mills have been selling as much as one-tenth of their monthly production to Government agencies, other manufacturers have been supplying little or no paper for Government use.

Total monthly paper orders of all Government agencies are approximately 9,000 tons.

- - -

WIDE VARIETY SEEN IN CANNED FOODS - The widest variety of canned fruits, juices and vegetables since before rationing will stock retail shelves this winter.

Credited with making ample cans available for the record pack, according to American Can Co. engineers, are war-developed processes for making short tin supplies cover more sheet steel. Without this tin conservation program, they said here yesterday, food might have spoiled for lack of cans.

* * *

From St. Paul Pioneer Press, Nov. 10 -

GUAM UNDERGOING ECONOMIC CHANGE; FARMING CUT OFF by Douglas Lovelace -
The war, and American plans to make Guam a fulcrum of its far-Pacific defense, have wiped out almost completely its agricultural economy. The war's aftermath has transformed the Chamorros into a wage-earning people and substituted an American for Oriental economy. In prewar days, tropical Guam produced about 75 per cent of its needs. It imported some food, principally rice from Japan, and purchased from \$60,000 to \$75,000 annually in U. S. mail order goods. It exported about 3,000 tons annually of copra.

- - - -

From Milwaukee Journal, Nov. 11 -

STATE CANNERS SEEK TO EXPAND INDUSTRY-After record volume and business during the war years, members of the Wisconsin Canners' association opened their annual convention Monday at the Schroeder hotel to plan further expansion of their industry. Two of the most important issues before the canners are meeting the growing competition of the frozen food industry and revision of grade standards on canned foods.

Though current prices are at high levels, the canners listened with attention to E. A. Meyer, assistant administrator of the production and Marketing administration, Washington, D. C. on federal policies to be followed on support prices.

Meyer explained that for two years after the official declaration of the ending of the war, the federal government is committed to assure 90% of parity prices (1910-'14) exchange values.

"The United States department of agriculture will be reluctant to give support to the basic commodities unless prices should go decidedly lower than they are at present," he said.. "The department had not been happy over being compelled to spend so much money for crops, such as potatoes, for diversion use and see the amount of waste and spoilage that has occurred."

- - - -

From New Orleans Times-Picayune, Nov. 11 -

ASKS SUGAR, RICE BE DECONTROLLED, Lafayette, La. - United States Representative James Domengeaux today called upon President Truman to immediately amend his sweeping executive order on controls and include rice and sugar, both produced and processed in South Louisiana and East Texas.

Declaring that there is no doubt in his mind that controls will be lifted within the next few months on rice and sugar, Congressman Domengeaux, in his telegram to the president, said, "I want you to realize that if de-control is affected now, the farmers would derive the benefit of any cost increase, but if you wait until after the harvesting and processing seasons are over then the benefits of price increase will benefit only the large operators and speculators."

- - - -

From Memphis Commercial Appeal, Nov. 11 -

45 NEW MIDSOUTH DAIRIES RAISE SUPPLY OF MILK FOR MEMPHIS-Memphis milk supply was increased during the Summer of 1946 by milk from 1563 cows in 45 new dairies in Northwest Mississippi and West Tennessee.

Everett C. Handorff, director of Food and Milk Division of the Memphis and Shelby County Health Department, who made this announcement yesterday, also revealed that an equal number of new dairies in the Memphis milk-shed are under construction.

While a small percentage of milk is imported from other states, primarily Wisconsin, local officials look forward to the day when all milk consumed in Memphis is from the MidSouth area.

The new dairies that began operation this year, in addition to those under construction, will materially increase the supply of milk for a growing city.

- - - -

From Watertown Daily Times, Nov. 11 -

FARMERS TO HOLD PEAK PRODUCTION by Grant Dillman, Washington, - Agriculture department officials expressed confidence today that the nation's farmers will follow through on the government's request to continue at top production for another year.

These officials said that although some farmers are "a little suspicious of hitting it hard for another year" in view of a possible drop in consumer purchasing power, they probably will try to achieve the government's goals.

Secretary of Agriculture Clinton P. Anderson yesterday outlined a 1947 farm production program calling for a total acreage three per cent larger than this year when many crops were of record or near record size.

- - - -

From Chicago Journal of Commerce, Nov. 11 -

CUBAN LARD IMPORTS FROM U. S. DECLINE-While Cuban lard imports from the United States declined in September by approximately 10 per cent from August totals, they continued at a high level, Cuban government officials reported yesterday in Havana.

A total of 4,179,820 kilos was imported in September compared with 4,686,662 kilos in August. Imports for the first nine months of 1946 were 26,533,288 kilos.

- - - -

OIL AGRICULTURAL UNIT'S GOAL IS SKILLFUL FARMING - by George Krieger -- To encourage, stimulate, and accelerate the development of scientific power farming is a great opportunity for the petroleum industry. We believe that scientific power farming, if it is going to succeed as its well-wishers are convinced it can succeed, must be based on sound principles of economics and engineering. When we mention "scientific power farming," we do not refer to "farm mechanization" as it is commonly understood. Entirely too large a portion of "farm mechanization" to date has consisted primarily of substituting mechanical power for animal power. By "scientific power farming" we mean the actual application of the fundamental principles of economics, chemistry, and engineering, to farm practices that general industry has utilized as a matter of routine for many years.

- - - -

NOV 20 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 15 -

GOP CHIEF SAYS GOVERNMENT ' PLANS' SHORTAGE OF SUGAR-Washington-Representative Thomas A. Jenkins of Ohio, chairman of the Republican Congressional Food Study Committee asserted today that "American consumers and the incoming Republican Congress will not tolerate another year of Government planned sugar scarcity."

In a statement he stressed what he called "self-evident facts," which were as follows:

"The areas on which we depend for our sugar produced more sugar in 1946 than in any year in recent history.

"In spite of this ample production, American consumers have thus far in 1946 received 500,000 tons less sugar than during the same period in 1945.

"At the same time, exports of refined sugar from the United States are twice as large as last year, while exports of American owned sugar from Cuba are 168 percent of 1945 and more than 900 percent of 1942."

He stated that sugar was the first food rationed and was the only one still under rationing, therefore it was more completely controlled than any other commodity.

- - - -

U.S. SOFTENS VIEW ON RELIEF SETUP-Lake Success-The United States took the position today that it was opposed categorically to the formation of any international organization to take over the problems of the United Nations Relief and Rehabilitation Administration when it goes out of existence.

Adlai Stevenson said at the same time that, in line with this country's determination to continue to help ingiving relief, the United States favored "direct and informal" consultations between surplus and deficit countries, with the object of effecting prompt and efficient action.

"Help will be available when it is needed and where it is needed," Mr. Stevenson declared.

As he addressed the delegates of the fifty-one member nations, Mr. Stevenson took a mild tone compared with that used in Washington on Tuesday by Dean Acheson, Acting Secretary of State. Mr. Acheson had bluntly stated that Administration opposition to UNRRA Director General Fiorello H. La Guardia's plan for a \$400,000,000 emergency food fund was likely.

- - - -

DEPOSITS DECLINE IN NATIONAL BANKS-Washington-Deposits in national banks as of Sept. 30 showed a \$5.,373,000,000 shrinkage from the level of December 1945, and total assets were down \$4,878,000,000, reflecting the altered postwar fiscal policies of the Federal Government which cut Government deposits and bank holdings of Federal Securities.

(Turn to page 2 for other items
in today's N.Y. Times.)

- - - -

From New York Times, Nov. 15 -

CASH CORN BUYING BUOYS ALL GRAINS-Chicago-Buying of cash corn presumably for export by the Commodity Credit Corporation gave impetus today to the buying movement in grains that started yesterday on the Board of Trade, and the market today was strong in all the pits, with the nearby positions reflecting the strength in the cash markets. Commission buying broadened materially and shorts were on the defensive, their covering in all pits being a big factor in the late trade.

- - - -

COTTON ADVANCES IN ACTIVE TRADING-Cotton futures turned stronger yesterday in a moderately active session on the New York Cotton Exchange and final prices were 37 to 80 points net higher than on Wednesday.

Starting with overnight losses of 1 to 18 points the market eased early to losses of 12 to 42 points on active months, largely on selling from the South. Mills then came in aggressively and bought principally December, March and May. These months led the advance. Mills that have been selling good into the first quarter of next year were fixing prices at current levels, because their selling prices on goods are based on $36\frac{1}{2}$ cent cotton, while spot cotton is selling around 31 cents in the South and 15/16 inch middling staple.

The far off months lagged behind the near months, traders believing that acreage would be increased sharply next year and that high prices will stimulate production. Sales of fertilizer in the cotton States in October totaled 521,725 tons, compared with 377,537 tons in October last year, and the sales in the period from January through October totaled 6,429,884 tons of 13% more than last year.

- - - -

POLITENESS BACK IN BUTCHER SHOPS-Inspectors from the Department of Markets, who make daily rounds of the butcher shops to check on meat prices, reached the conclusion yesterday that something had been added--not only to the price.

Politeness and "personalized service"--missing since wartime shortages and black markets erected a fence of hostility between housewives and butchers--have returned to neighborhood meat shops, the inspectors said.

The same discovery was reported by a sufficient number of inspectors to lead to an announcement by Markets Commissioner Eugene G. Shulz. The Commissioner said "personalized service" meant that the butcher was willing to cut chops off the end of the loin preferred by the shopper, to trim excess fat, crack a bone, or slice the steak to individual taste.

- - - -

CHURCH AID ASKED IN RURAL CULTURE-Des Moines-The national convocation on the church in town and country ended its first post-war meeting here today with a call for unified action among Protestant churchmen within each rural community to set up more positive economic, sociological and spiritual programs in the face of disintegrating influences at work on Rural values.

- - - -

ANTI-FREEZE DROUGHT PROMISES HARD WINTER FOR COLD AUTO MOTORS - There's a rough winter around the corner for shivering automobile motors. Anti-freeze is sadly short.

Some dealers are already sold out--with little prospect of getting more. A big Detroit merchant, ordering 100 carloads recently, got a "none available" reply from his distributor.

Anti-freezes are of three principal types. The first, and oldest, is plain alcohol. The next is ethylene glycol, sold as Prestone by Union Carbide and as Zerex by du Pont. The third is methanol (synthetic wood alcohol). And all lumped together there's not nearly enough to go around this fall.

- - -

GRAIN EXPORTS will drop as foreign loan program is cut, say Agriculture officials. The booming foreign business for farm products, they say, has depended on U. S. pump-priming abroad and with the purse strings tightened, much of it will disappear.

- - -

FURTHER RELIEF FOR EUROPE - Editorial - Our State Department has quite frankly expressed its distaste for the proposal of Director General La Guardia of UNRRA that the United Nations set up a \$400 million fund to continue that organization's relief work when it discontinues about the end of this year. Admittedly, the United States would be expected to provide much the greater part of the fund. Mr. Gromyko, Russian delegate to the United Nations, by plain implications accuses the western nations of using their relief work to gain political advantages.

But there can be no doubt that at the receiving end and particularly in eastern Europe, UNRRA relief has been badly tangled in politics, both international politics and the internal politics of several of Russia's satellites.

Mr. Gromyko is quite right and beautifully altruistic in his demand that the extension of relief should have no political purpose. He might well have added that acceptance of relief should be equally innocent of manipulation to serve purposes other than that of assuaging human suffering.

All of which adds up to a decision against Mr. La Guardia's proposal. When UNRRA relinquishes its relief work the war in Europe will have been over for more than a year and a half. The longer the western nations put relief supplies at the disposal of governments on that continent the longer their peoples will remain dependent on charity, or think they are.

- - -

BIGGER U. S. EXPORTS OF WHEAT HELD LIKELY; AUSTRALIAN CROP SHORT - The United States may have to increase exports of wheat to the Far East in the near future.

This opinion was universal among grain men yesterday, when the Australian government estimated this year's prospective wheat harvest in the Commonwealth at only 100 million bushels.

A crop of only 100 million bushels would provide an exportable surplus of 35 million bushels. The British government, however, has already contracted for 28 million bushels. Thus, if the present estimate is substantiated by actual yields, Australia will be out of the export picture during 1947 for all practical purposes. United States export grain allocations for the crop year which ends June 30, 1947 amount to 400 million bushels.

* * *

From the New York Journal of Commerce, Nov. 15 -

LIST NEW PRODUCTS FOR EARLY SHOWING - With more than half of the available exhibit space already under contract, the first annual Food Industry Exposition, to be staged at the Steel Pier in Atlantic City Jan. 19-22, inclusive, will present a wide variety of new food and grocery store products, David M. Sloane, managing director, announced yesterday.

Growing interest in the food exhibit, which will run concurrently with the presence of wholesale grocers, super market and chain store buyers at the Atlantic City annual food trade conventions, indicates the largest food products show ever to be presented at the January joint meetings, he declared.

- - -

CANNERS TO STUDY MARKET PROSPECTS - Washington - Readjustment of the canning industry to peacetime production and to normal marketing conditions will be the chief topic for consideration at a meeting of the board of directors of the National Canners Association to be held at the Hotel Shoreham here Nov. 19 and 20.

Future association activities accordingly will be under discussion during the session, which the directors, members of the association's administrative council, and representatives of State and regional canning associations will attend.

Preliminary to the Washington sessions, the association's raw products committee will meet in Chicago on Nov. 17 and the foreign trade committee on the same date.

A committee appointed to consult with United States Department of Agriculture officials on the inspection, grading, and labeling program will meet in Washington on Nov. 18, and on the same date the association's administrative council will hold a meeting in Washington.

- - -

IMPROVED DEMAND AIDS BUTTER PRICES - Receipts (Nov. 14), 426,617 lbs. Rising prices in fats and oils, and possible elimination of the ban on whipping cream, coupled with limited supplies of butter and better consumer call, have resulted in improved sentiment and general advance this morning.

- - -

WARNS ON FROZEN FOOD STANDARDS - Unless the frozen foods industry establishes minimum production standards and enforces them, it is "almost certain that there will be a crackup in the industry," Col. Paul P. Logan, director of the National Restaurant Association, told a luncheon forum of the Eastern Frosted Foods Association at the Hotel Commodore yesterday.

He urged the industry to act immediately in setting up an industry committee to establish minimum standards of production and co-operate with the Government in having these standards made uniform.

After building a reputation for quality in frozen foods, Logan reported that it is being wrecked in the public eye. He estimated that there were 526 packers in 1942 and 757 in 1945. Many of these packers, he said, do not have an adequate know-how, nor the proper equipment.

- - -

From Des Moines Register, Nov. 13 -

A CHANCE TO GET MORE RESEARCH-Editorial-If we as a people are going to support scientific research in order to keep up in the physical sciences, or promote social research in order to find out how best to adapt our social institutions, we must surely have some appreciation of the role of science.

The 79th Congress passed an act which provides for greatly increased funds for agricultural research, particularly in the field of marketing. It provides increasing amounts of money for each of the next five years to be spent on agricultural research. A large share of this money will go to the state agricultural experiment stations if the state matches the federal appropriations. The law is so written that funds can be used for almost any kind of research, including that of private agencies.

- - - -

From Kansas City Times, Nov. 12 -

REASONS BEHIND KEEPING CONTROLS ON RICE AND SUGAR EXPLAINED, Washington, (AP) - World shortages and government promises kept sugar and rice under price controls while all other foods were freed of wartime curbs, government officials explained today.

This country has been setting aside 40 per cent of its domestic rice production for export to the Philippines, Puerto Rico, and to other areas. These, in turn, supply the United States with sugar and natural rubber.

Fear that removal of price lids on rice might send it soaring so high that these export agreements could not be fulfilled prompted retention of controls on that commodity, it was explained.

The story on sugar is similar. Most officials expressed belief that both rationing and price controls must continue well into next year.

- - - -

From St. Louis Post-Dispatch, Nov. 13 -

ANDERSON SAYS MILK USE DROPS AS PRICES GO UP-The American people will not use all the milk they need until dairy prices are brought within reach of the average family, Secretary of Agriculture Clinton P. Anderson said today in an address before the thirtieth annual convention of the National Co-operative Milk Producers' Federation at Hotel Jefferson.

Surveys have shown that families in the top income brackets consume only three-fourths as much milk as they need, he pointed out, and milk consumption decreases in proportion to the decrease in income.

Fluid milk and cream consumption jumped 26 per cent in the war years, he pointed out, but whether it will remain at that peak during the next few years is another question.

The consumption of fluid milk, he declared, has already started to decline, apparently as a result of recent price increases.

To meet the situation he advised members of the dairy industry to begin "a rather thorough re-evaluation of their methods of distribution, processing and marketing" in the light of the postwar period.

- - - -

From New Orleans Times-Picayune, Nov. 12 -

HIKED COSTS HURT COTTON FARMERS, Baton Rouge, La. - Cotton price gyrations have left the average Louisiana cotton farmer facing a 15 per cent increase in cost of living with an 8 to 10 per cent lower net income than he had last year, a Louisiana State university economist estimated today. Agriculture Economist predicted the still-fluctuating price would level off so as to provide an average of about 33 cents a pound for the year--considering that at least half the crop already has been sold at higher prices. So, the gross income of the state's 52,000 producers, Barlow said, will be about the same as last year's but this year's crop cost 8 to 10 per cent more to produce, because of higher labor, fertilizer, equipment and other costs.

- - - -

From Christian Science Monitor, Nov 13 -

TO FEED THE HUNGRY-Editorial-When the United Nations Relief and Rehabilitation Administration ceases to function at the end of the year, the hunger of millions of human beings will not automatically cease. The acute world food crisis is not expected to be over until the crops of 1947 are in. Food will be available in world markets meanwhile, but many impoverished nations will be unable to finance the minimum imports they need.

Into that yawning gap has leaped Fiorello La Guardia with an impassioned plea for a United Nations Emergency Food Fund of \$400,000,000, to be administered by an executive board of Governments nominated by the General Assembly. Like an earlier report of the United States Department of Agriculture, his proposal stresses the monetary factor by which famine-threatened nations will be able to get food on a purchase basis--the only basis left open to them.

The State Department frowns on such an international commitment. It would leave to Congress the decision to grant loans or funds for relief in individual cases. This might well turn the feeding of hungry millions into a political football, as Mr. La Guardia fears, though it may be the only step that the present temper of the country will permit. The moral issue has been squarely and eloquently raised. Let it be faced with honesty.

- - - -

From Baltimore Sun, Nov. 14 -

WHY THE WAR OUGHT TO BE PROCLAIMED OVER BEFORE JANUARY 1-Editorial-There was point, pungency, wisdom and good will in what Mr. Clifford K. Hope, prospective GOP chairman of the House Agriculture Committee, had to say to the press about Republican farm policy. But on one of the most strategic questions of all there was in Mr. Hope's remarks a depressing ambiguity. What we are talking about is the "two-year" postwar guarantee of farm prices in the Price Stabilization Act. We put the term "two-year" in quotation marks for a very good reason. The fact is that as yet there is no actual limit on the time during which the public treasury may have to support farm prices at the expense of the general taxpayer.

The two-year interval begins the January 1 after the date on which the war is proclaimed to be over. And that proclamation has not yet been made. But, as it happens, Mr. Truman has recently thrown out a suggestion as to the date when he is likely to declare the war over. It is January 1, 1947. When it is considered that actual hostilities were over in August of 1945, a price guarantee at the public expense expiring only on January 1, 1950, some four and a half years later, would seem a pretty generous construction of the statutory guarantee of a two-year price-support period.

- - - -

serve
14
014

DAILY FARM NEWS DIGEST
(For November 18, 1946)

LIBRARY
CURRENT SERIAL RECORD

NOV 20 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 18 --

PRICES AT RETAIL ADVANCE EIGHT MONTHS IN ROW-Retail prices in October recorded one of the greatest monthly gains since the present upward trend started, according to the Fairchild Publications retail price index, which showed prices advancing for the eighth consecutive month. This is the first time since the upturn following the depression in the thirties that retail prices have gained for eight consecutive months, Fairchild stated.

The index at 117.8 (Jan. 2, 1931--100) showed a gain of 0.9 percent a new high in the life of the index. Quotations also show an increase of 3.8 percent compared with the corresponding period a year ago. Once again every group showed gains during the month over a year ago. Home furnishings and men's apparel recorded the greatest gains, compared with the previous month and with a year ago.

Retail prices, based on the index, show an advance of 32.5 percent compared with the 1939-40 'low.

- - - -

WORLD'S CROP OF RICE TO BE FAR BELOW PAR-Washington-Despite world rice production exceeding last year's output, the quantity of rice available for world trade in 1947 is expected to continue at current low levels, the Department of Agriculture said today.

World exports of rice in 1947 were not expected to exceed the 2,200,000 short tons shipped in 1946. This figure compares with the average of 8,600,000 tons handled in international trade in the five years from 1935 to 1939.

The output for the world was estimated at 6,900,000 bushels, compared with 6,300,000,000 last year and 7,400,000,000 before the war.

- - - -

COTTON IRREGULAR BUT GAINS IN WEEK-Irregularity marked the trading in cotton futures last week. Prices on the New York Cotton Exchange moved in a wide range, but the market ended the week mixed, 5 points lower to 122 points higher than the previous week's close, with the near months chalking up the gains. In the preceding week values had declined 142 to 208 points.

- - - -

DEMAND FOR CORN GOOD-Chicago-At their low spots last week corn futures on the Board of Trade were down to the expected loan level at Chicago, \$1.26 a bushel, with the other months at discounts under that figure. This decline checked speculative selling pressure and induced broader commission house buying which made it easy to advance prices when the cash market showed a tendency to strengthen.

(Turn to page 2 for other items - - - -
in today's N.Y. Times.

Farm Digest 2485-46

From New York Times, Nov. 18 -

U.S. BUYING HELPS RECOVERY IN GRAIN-Chicago-Government buying of cash wheat and corn was a factor in reversing the price trend in grains after a period of decided weakness early the past week.

Lowest prices for the period were registered on Tuesday, following the Armistice Day holiday, to heavy arrivals of corn, which for a time unsettled the other markets.

In wheat the market was bolstered to some extent by a more bullish statistical survey issued by Broomhall, the English statistician, which indicated world import requirements would be 115,000,000 bushels more than the combined surpluses of exporting countries.

Another bullish factor in wheat, and indirectly in other grains, was the elimination of licenses for the exportation of flour to Cuba, Latin America and the Philippines which resulted in heavy sales that were reported at more than 2,000,000 sacks of flour.

The Government Commodity Credit Corporation has bought wheat freely at Kansas City and also in the Northwest. At Chicago offerings are extremely light, and cash market has been relatively strong.

- - - -

LARD TRADING GAINS ON CHICAGO BOARD-Chicago-Lard trading on the Chicago Board of Trade gained somewhat in volume last week, but interest was still of moderate proportions. Cash lard sold off sharply from a week before, the demand being less urgent.

Lard production last week increased 4,500,000 pounds from the preceding week, the output for the period being 42,300,000 pounds.

- - - -

EUROPE'S RELIEF PROBLEM-Editorial-In discussing before the United Nations the food relief plans for next year, Paul Martin, Canada's Secretary of State, emphasized two points of basic importance in any plan that is adopted. The first is that there should be some machinery for the screening of requirements and the balancing of competing claims. The second is that some of the countries most in need of relief have not only attacked the motives of the nations supplying relief, but, what is more important, have failed to put forth efforts to get on with their own recovery by burying their political differences for that purpose.

In respect to the first point, Mr. Martin, like various other delegates, is in favor of an international machinery of the type suggested by Mr. La Guardia. The fund is not intended to meet the relief and reconstruction requirements of all nations, but only the relief demands of eight eastern or central European countries, all but two of which lie wholly or partly within the Russian orbit.

The second point is tragically illustrated by every report from Europe. Not only have some of the receiving countries raised the cry of American "economic imperialism" and accused the U.S. of using food as a political weapon but the Governments of countries loudest in their demand for relief have preferred to carry out a political and economic revolution at the risk of starving their own people, instead of centering their efforts on recovery and reconstruction.

- - - -

From the New York Journal of Commerce, November 18 -

POST-DECONTROL PRICE IMPACT FAR SHORT OF EXPECTATIONS; PEAK DOUBTED BEFORE SPRING - Prices during the first week after decontrol advanced less than anticipated

In terms of The Journal of Commerce weekly wholesale price index which is based on 110 commodities, representatives of all major industrial fields, they increased less than 5 percent last week. This gain fell considerably short of the 10 to 12 per cent advance which had been widely predicted by commodity analysts.

The Journal of Commerce index last week advanced from 150.4 to 156.9 per cent of its 1927-1929 average.

Moreover, the index of 30 sensitive commodity prices which is computed by this newspaper daily, advanced even slightly less during the first week after removal of virtually all price ceilings.

- - -

SEE HOTELS FACING LOSS AS SALES FALL - With total revenues beginning to decline, the nation's hotels will not be able to operate at a profit even if sales volume falls only to the 1942 level, a panel of hotel operators meeting here warned.

....

Explaining that beverage and food sales are much more sensitive indexes of current trends than room sales, Leonard Hicks, president of the American Hotels Association, stated that sales of both items were lower than last year's totals "all over the country."....

It was suggested that the end of food rationing and shortages, together with the return of wives who worked during the war to their homes, had caused a drop in food and beverage sales that might not necessarily indicate a decline in room rentals. The hotel executives, however, declared that allowances had been made for these factors and they reiterated their belief that 1947 would see a continuation of the decline in sales volume.

- - -

TOBACCO TAX RETURNS SHOW 74 PER CENT RISE - Cigarette and tobacco tax collections, boosted by increased tax rates, return of servicemen, and more plentiful domestic supply, rose 73.8 per cent during the first half of 1945 over receipts for the same period last year.

The Federation of Tax Administrators reports that collections in thirty-one states from January through June this year were \$112,600,000 from cigarette and tobacco taxes. During the first half of 1945, collections were only \$64,800,000.

- - -

WOULD WOOL GROUP URGED AT LONDON-(Bureau of Journal of Commerce)-Washington, Nov. 17 - Delegates from thirteen countries attending the international wool talks in London have agreed upon the desirability of the international wool situation being kept under study by an inter-governmental group, the state department announced.

The British delegate has been appointed to obtain decisions from the governments represented at the present conference regarding the establishment of such a permanent wool body. The State Department added that if such a group were assembled they would maintain close liaison with existing organizations in the wool field to take full advantage of their experience and information-gathering facilities.

The conference was also told that wool stocks on the hands of the various governments amounted to approximately one year's production. Absorption of this quantity into final consumption, along with the 1946-47 clip, will present a formidable problem, it was pointed out.

- 4 -

From the New York Journal of Commerce, November 18 (Cont.) -

CONTINUED CONTROL OF SUGAR URGED - Soaring sugar prices if sugar is decontrolled now, such as those which followed abrupt decontrol in December, 1919, were predicted last night by the Sugar Committee of the Food Industry Council in a preliminary report from its objective study of how to increase sugar supplies in the United States.

The completed analysis will be released within two weeks.

When retail sugar prices skyrocketed from 11¢ a pound in December, 1919, to 27¢ a pound in July, 1920, consumers in the low income groups could not afford to buy sugar.

The crash in wholesale sugar prices to 4.80¢ a pound in January, 1922, from 21.56¢ in July, 1920, caused institutional and industrial users to lose thousands of dollars on their sugar inventories. This wholesale price spread then, on an annual basis, approximated \$1½ billion.

- - -

CANE SYRUP PRICE ADVANCED BY OPA-(Bureau of Journal of Commerce)-Washington, Nov. 17 - Producers' and packers' ceilings on commercial cane syrup - that syrup produced in a raw sugar mill - have been raised 6¢ a gallon, the Office of Price Administration announced today.

Consumer prices of packaged syrups will go up about 15 per cent on syrups produced by this small segment of the syrup industry, OPA said.

- - -

SPOT CANNED FOOD UNDERTONE FIRM - Despite withdrawal of many buyers from the canned foods market toward the week-end, due to the high asking prices on many varieties, especially tomatoes, tomato products and fish, there was no appreciable withdrawal of offerings, while at the same time the asking prices were firm, and in some instances advanced.

- - -

MARGARINE MANUFACTURERS SEEK TAX AID - Margarine manufacturers, bucking restrictive legislation in 25 States, hope the new Republican Congress will be less butterfingered than its predecessors.

They want an end to the "poor relation" concept and equal freedom with the butter industry.

To gain this, excise taxes and other discriminatory barriers will have to be worn down.

These barriers, manufacturers say, are largely the efforts of the National Milk Producers Co-operative Federation, the American Dairy Association, and the American Butter Institute.

- - -

From the New York Wall Street Journal, November 18 -

U.S. TO OPEN PHOSPHATE AREA IN MONTANA-Washington - The Federal Government wants to make its phosphate rock in Montana available to farm fertilizer manufacturers.

Interior Secretary J. A. Krug said the mineral is needed to relieve the fertilizer shortage in the Pacific Northwest.

Sealed bids for the privilege of developing phosphate deposits in 200 acres in Silver Bow County, Montana, will be opened in Washington November 27. Mr. Krug said the area offered for lease contains at least a 10-foot seam of phosphate rock, capable of a minimum annual output of 2,000 tons of the scarce fertilizer ingredient.

- - -

From Christian Science Monitor, Nov. 13 -

FARM LEADERS CITE URGENT FOOD PROBLEM, Portland, Ore. - Farmers are prosperous today--exceptionally so. And paradoxically there still is an urgent farm problem in the United States, according to farm leaders.

Albert S. Goss, master of the National Grange, put it before the delegates to the 80th convention of the farm fraternity today with proposals for solving it on a national and world basis.

The problem is one of simple arithmetic, as he presents it. Industrial prosperity has been reflected in a 12 per cent increase in food consumption. But increased farming efficiency has raised food output 30 per cent. What's to be done with the 18 per cent net increase for which there appears to be no domestic demand?

The only practical solution of the surplus problem, as he sees it, is to allow full production, but to find new markets for the excess farm products "by diverting them to inferior uses." To do this it would be necessary to sell the portion of the crop put to those uses at lower prices. The Grange proposed a multiple price system at its convention last year and can be expected to reaffirm its support of the plan at this session.

- - - -

From New Orleans Times-Picayune, Nov. 13 -

STATE COMMERCE BOARD ASKS TRUMAN TO DROP RICE CEILING, Baton Rouge, La.- The state board of commerce and industry by resolution today asked President Truman to remove price ceilings on rice.

The action was taken on motion of board member Arthur L. Gayle of Lake Charles, who said present ceilings were diverting rice into the black market and that farmers were being prevented from expanding a local rice market.

- - - -

From The Davenport Democrat and Leader, Nov. 13 -

RURAL CHURCHES NEGLECTING UNDERPRIVILEGED 'MARGINAL PEOPLE,' THEOLOGIST CLAIMS, Des Moines, Ia. - A Protestant theologian accused rural churches Wednesday of neglecting the underprivileged "marginal people" because--for one reason--they are not a good financial "investment."

McConnell said the church in continuing to neglect marginal people ran the risk of merely furnishing chaplains for well-to-do farmers who maintain them as "hired men to preach some fractional faith which suits their prejudices, traditions or family tree."

One-third of the nation's 600,000 migrants are "labor gypsies," he said, and one-third of its 6,000,000 farmers are "hanging onto their farm tenure by virtue of mortgage or lease."

"The underprivileged group is the church's mission field. It must take over some migrant camps with the intent to build subsistence homesteads and fight it out with land sharks and greedy land owners."

- - - -

From Des Moines Register, Nov. 13 -

STUDY RURAL OPPOSITION TO LABOR UNIONS by Lulu Mae Coe-Cameron P. Hall declared here Tuesday that "too much significance" cannot be given to the charter granted the Southern Tenant Farmers union by the American Federation of Labor (A.F. of L.)

"The fact that it was characterized by the A. F. of L., rather than by the C. I. O. (Congress of Industrial Organizations) all the more underscores its importance," he said.

"Labor sees agriculture is going down the path of mechanization, and now is the time to bring the benefits of rural organization into the labor field."

Hall, of New York, N. Y., presided at the urban-rural relations commission held in connection with the national convocation on the Church in Town and Country, in session at Central Christian church. He is secretary of the industrial relations division of the Federal Council of Churches.

- - - -

From Memphis Commercial Appeal, Nov. 13 -

COTTON COMMENT by Gerald L. Dearing - From information received from cotton factors, merchants and bankers it appears that many farmers are unaware or uninformed of the terms of the Government loan.

The belief persists that the loan is based on a percentage of the market price--and not of parity price, and that, as the market goes down, the loan rate goes down. This, of course, is not true. Oddly the need for information is not alone among the tenant and small farmers, but persists among some who are supposedly well informed.

The loan is playing an important part in the holding movement which has developed since the successive crashes of the market. But equally important is the amount of cotton which is being financed privately--most often at a return to the farmer higher than the Government loan--and the amount which is being held by the farmer without recourse to any loan.

- - - -

From Milwaukee Journal, Nov. 13 -

NEED FOR CANNING CROP WORKERS IN 1947 TOLD-Around 3,000 alien laborers and additional migratory workers will be needed to harvest the 1947 vegetable and fruit crops for canning, according to Arlie Mucks of the Wisconsin college of agriculture and state emergency farm employment director.

"With few returned veterans and those listed as unemployed now showing interest in the seasonal canning crop jobs, we will have to use foreign and migratory labor again next year," said Mucks.

William C. Holley, Washington, D. C., told the canners that around 55,000 of the alien laborers would be needed nationally and there are now around 30,000 being used in the country, mainly in Florida and California.

- - - -

From Kansas City Star, Nov. 13 -

TRIUMPH IN RESEARCH-Editorial- In directing a program for producing starch and dextrose sugar from grain sorghums, the Midwest Research Institute of Kansas City has made another substantial contribution to this area. Any new method of utilizing a common farm crop, with its implications of greater industrialization in the farm belt, will benefit the whole region.

To solve the problem as quickly as possible, the institute brought together the excellent research facilities in this area.

- - - -

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Nov. 19 -

SCHOOLS 'FEASTING' ON FREE POTATOES-Washington-Free potatoes, with the transportation paid by the Federal Government, are pouring into forty-six States for the country wide school lunch program.

From June 1, when the harvesting of this year's record crop began, until today more than 2,000 carloads have been sent to the schools.

So large is the surplus that the pupils can go on eating potatoes the rest of the school term. The department has even ruled that only the United States No. 1 Grade goes to school, since so many potatoes are under price support that the children can get the best.

This potato "feast" in the first year of the permanent school lunch program was not planned that way. It is caused by the fact that while the Agriculture Department set a goal of 378,000,000 bushels, farmers raised 478,000,000 bushels.

The department has bought about 40,000,000 bushels to support the price, and will have to buy more. After selling all the potatoes it could last summer for starch, alcohol, stock feed and other purposes, 813,000 bushels were given away through the school lunch program and to State-operated charitable institutions.

On the average, about 60 percent are sent to the schools and about 40 percent to the institutions.

- - - -

COTTON EXCHANGE REVISES MARGINS-Sweeping changes in the credit and margin rules of the New York Cotton Exchange were made by the board of managers at a special meeting yesterday.

The changes, which were submitted by the special committee of the Exchange that had been appointed to review the market's credit structure following last month's sharp price recession, have been placed with the by-laws and rules committee of the organization for the formal drafting of the necessary by-laws.

The new credit arrangements cover only speculative accounts, action on trade account credit rules being deferred until the situation is investigated more thoroughly.

Effective immediately, the margins established for speculative accounts are as follows: \$5 a bale, when the price ranges from 1 cent to 9.99 cents a pound; \$10 when the price is between 10 cents and 19.99 cents; \$15 when the price is between 20 and 25.99 cents. When the price is 25 cents a pound and above, the margin shall be 20 percent of the value of the contract.

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

From New York Times, Nov. 19 -

U.S. NEARLY ALONE ON U.N. FOOD FUND-Lake Success-A belief that the short term work of the United Nations Relief and Rehabilitation Administration should be merged into the long term work of the United Nations was expressed here today by Philip J. Noel-Baker of Great Britain.

Speaking before the General Assembly's Economic and Financial Committee, which for the last week has been discussing the 1947 food crisis, Mr. Noel-Baker also declared that he saw no insurmountable divergency between the views of the United States delegate, Adli E. Stevenson, and those of Fiorello H. La Guardia, director general of UNNRA, who last Monday proposed the creation of a \$400,000,000 emergency food fund.

As the matter stood today, however, except for the support of the Netherlands, the United States was alone in its categorical stand for the exclusive use of bilateral agreements as a solution of the food crisis.

- - - -

AID TO FOOD FUND URGED-Philadelphia-A group of prominent Philadelphians headed by Owen J. Roberts, president of the United Nations Council of Philadelphia and a former Justice of the Supreme Court, sent a telegram to Secretary of State Byrnes today urging American support of the United Nations Emergency Food Fund.

The telegram urged support of the fund "because we believe that political democracy and international solidarity will not grow where people are primarily concerned with hunger."

- - - -

STETTINIUS PLEADS FOR AID TO CHINESE-Edward R. Stettinius Jr., former Secretary of State and now rector of the University of Virginia, called last night for continued American aid to the Chinese people.

Mr. Stettinius addressed 500 persons at the opening of a New York City campaign for \$1,250,000 by United Service to China (formerly United China Relief) at a dinner in the Ritz-Carlton Hotel.

Only a part of the Chinese population has achieved security against famine, disease and poverty, he explained, and the obstacles to be overcome before benefits can be realized by the whole of China "are still present in staggering proportions."

- - - -

STATE AGENCIES PUT UNDER CARTEL CURB-London-Experts at the London trade policy conference have agreed that restrictions on activities of international cartels should apply to combines of state-owned trading agencies as well as private business groups, it was learned today.

It also has been agreed that activities of outright monopolies, even though no agreements among companies are involved, should be the concern of the anti-restrictionist division of the proposed International Trade Organization.

- - - -

FOOD MEN TO SEEK NEW LABOR LAWS - Modification of Federal labor statutes to make it possible for industry to meet organized labor halfway in developing a workable program to remove causes for future strife will be sought by the food manufacturing industry, it was learned here yesterday.

Food processors from all parts of the country, here for the thirty-eighth annual convention of Grocery Manufacturers of America, which opened at the Waldorf-Astoria yesterday, will also petition the Government for a liberalization of sugar allocations to consumers and industrial users, it was reported. The continued sugar stringency, it was pointed out, has seriously interrupted the operations of many food processors, whose products require sugar as an ingredient.

- - -

FUTURES TRADING RESUMES IN HIDES - The spotlight today is on the resumption of hide futures trading at Commodity Exchange, Inc.

Edward L. McAndrew, vice president of the hide group of the exchange will sound the gong at 10:10 A. M. that will reopen activity in the hides futures ring for the first time since June 3, 1942. A brief ceremony will be held prior to the trading start.

- - -

LOWER FOOD PRICES IN SIGHT, Editorial - The sharp rise in food prices during recent weeks does not provide a sound basis for permanent changes in wage rates, if predictions as to the course of agricultural prices next year made by the Bureau of Agricultural Economics are taken at face value.

In a comprehensive review of next year's prospects for farm prices, the Bureau concludes that "the average for the 1947-48 marketing season may not be as much as 15-20 per cent below the present level." This prediction is based not only upon indicated larger crops, but also the anticipation that "business activity in the United States may slump to some extent sometime in 1947 as in 1920." A business slump, needless to say, would further reduce the ability of many industries to pay higher wage rates than those now prevailing. . . .

A combination of factors has caused a spectacular but in part temporary run-up in wholesale food prices. Retail prices will largely reflect this rise during the balance of the current season. But as new crops come to market next year, a sharp reaction in agricultural prices is predicted by the Bureau of Agricultural Economics. This prediction from so competent a source justifies particular caution in basing further increases upon the latest run-up in farm prices.

Undue increases in wages based on the run-up in food prices will force corresponding advances in prices and thereby restrict demand. Labor has much to lose from a decline in demand, for it will mean shorter hours of work and unemployment, which will reduce wages regardless of the level of hourly wage rates.

- - -

GARRARD PREDICTS COTTON PRICE RISE - The sharp cut in the total available supply of domestic raw cotton will force prices substantially higher than the current 32¢ per pound, it was said by W. M. Garrard, in his report to the board of directors of the Staple Cotton Co-operative Association at Greenwood, Miss., last week.

Mr. Garrard pointed out that mills assert that they have no trouble in selling goods at former ceilings based on 36¢ cotton, that cotton replacement cost is now about 32¢, that growers are holding their cotton off the market for higher prices, that monthly consumption is extremely high and that carryover next August may be below 3,000,000 bales.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.) - - -

Farm Digest 2495-46

HIGH CONSUMPTION LIFTS COTTON PRICES - Cotton futures shot up yesterday on the New York Cotton Exchange as domestic consumption was reported sharply increasing to levels approaching the 10,500,000 bale rate annually. The final range was up 19 to 35 points.

Leading factors that lifted prices were:

1. The October consumption report of the Bureau of Census: 931,229 bales, compared with 818,449 bales in September, and only 759,763 in October, 1945.
2. Reports from North Street that textile sales were being made as far forward as June at former ceiling levels, which were based on cotton costs of 36.52¢, although replacement cost for raw cotton is now about 32¢.
3. The tendency of producers to hold their cotton off the market at levels below 31¢.

- - -

REFINERS' QUOTAS NOT EXHAUSTED - Trade reports that a least one refiner had exhausted his allotment to be used in this area and another was about to receive his final cargo for the year seemed somewhat premature.

Without making available any figures obviously, CCC officials state categorically that the report is not so, and everybody is happy, including the refiners having sugar for sale, for their phones started to ring early yesterday. Anxious sugar buyers were trying to cover their needs for the balance of the year at least or get some assurance that they would not be forgotten.

- - -

SUGAR DELIVERIES, OFF 10.5%, 10 MOS. - Sugar deliveries in October were 386,966 short tons, raw value, a decline of 80,000 tons compared with a year ago, according to preliminary figures released yesterday by the Production and Marketing Administration of the Department of Agriculture.

- - -

RECORD PRICES PAID FOR RAISINS - Reports from the coast at the start of the week stated that raisin packers paid growers \$355 a ton in the field for raisin variety grapes, the high of the season and that bids for more at that basis had failed to uncover any worth while quantity.

There was a report here that only about 5 to 10 per cent of the original production remained in growers hands and that many growers were unwilling to offer preferring to hold their raisins until after the first of the year, following the usual trend of waiting until the passing of present tax applications.

- - -

ALL GRAIN FUTURES REGIST R ADVANCES - All grain futures moved forward at Chicago during morning trading yesterday with nearby wheat advancing 3¢ to pace the upturn. . . .

Buying of wheat futures by mills and Eastern interests found offerings scarce and prices readily responded; corn was aided by announcement of an average \$1.15 loan level for the new crop on the farm compared with \$1.01 last season, while reflected sales of a moderate quantity for export. . . .

In addition to announcing the new corn loan rate which, it was expected, will restrict further declines in prices for that cereal due to the fact that they are already only moderately above the loan level, it was also stated that the Government had purchased 2,150,000 bushels last week for export.

- - -

From Wall Street Journal, Nov. 16 -

NEW CHEMICAL TO SEAL OUT INSECTS, FUNGUS REVEALED BY GOODRICH, Cleveland-
The B. F. Goodrich Chemical Company announces commercial production of a new agricultural chemical which when sprayed on trees and plants seals out insects and fungus growths, with a rubbery film.

Basic material for the new chemical, known commercially as "good-rite," is polyethylene polysulphide, derived from petroleum and sulphur. It is supplied as a latex closely resembling synthetic rubbers. The chemical solution is diluted in water to be used with standard spraying equipment.

- - - - -

From Denver Post, Nov. 14 -

FARM ASSOCIATIONS TO BALLOT BY MAIL-Fort Collins, Colo.,-A new set-up for annual elections of county agricultural associations in Colorado has been established, Dewey J. Harman, state director of the production and marketing administration, said Thursday.

Harman said balloting will be done by mail hereafter, instead of thru county meetings where personal attendance of farmers was required.

Candidates will be nominated by a special committee, but the ballots will carry extra lines for writing in of candidates other than those selected by the committee.

- - - - -

From Milwaukee Journal, Nov. 16 -

CLOVER BLAMED FOR FERTILITY LOSS IN AUSSIE SHEEP, Melbourne Australia, (AP)
A new disease which affects the fertility of sheep is threatening the reproduction of flocks in western Australia and parts of South Australia and Victoria.

An Australian government research officer, disclosing the presence of the disease, said it was thought originally it was associated with an early type of clover known as dwalganup, but now there was some suggestion that later clovers such as Mount Barker and Tallarook were involved.

The officer said the clovers seemed to contain substances closely allied to oestrogen, a female hormone and similar to stilboestrol, a manufactured chemical used in human therapeutics and veterinary work. The substances, he declared, seemed to upset the ductless glands system of animals and affected the breeding organs of ewes.

- - - - -

From St. Louis Post-Dispatch, Nov. 14 -

TURKEY STEAKS SUGGESTED AS THANKSGIVING DELICACY, Curtis, Nebr.-Turkey steaks for Thanksgiving are suggested by the home economics department of the University of Nebraska. Superintendent H. K. Douthit says housewives ordinarily do not have the facilities for cooking large tom turkeys, farmers have trouble selling them, and the head of the family usually has a job carving them.

Douthit's solution is to trim off the neck, wings and legs, freeze the birds, and cut the carcasses into good size steaks, which will fry in about 20 minutes.

- - - - -

From St. Louis Post-Dispatch, Nov. 14 -

MILK PRODUCERS' ECONOMIST URGES PARITY PRICE RISE-Farm commodity parity prices which form the basis for Government price support guarantees are inadequate as they now stand and should be brought up to date, Louis F. Herrmann, economist of the National Co-operative Milk Producers' Federation. "Milk cow production since 1939 has increased 25 per cent. At the same time, yields of corn per acre have gained about 35 per cent, wheat 25 per cent, and potatoes 65 per cent.

"Labor requirements in the per acre production of crops dropped between 1909-13 and 1932-36 by 23 per cent for corn and 52 per cent for wheat, but the number of hours of labor in the milk-producing industry increased during the same period."

Low parities, he pointed out, work a hardship on farmers whenever prices fail to support levels, while those parities which are too high place too great a burden on the Government support program.

- - - -

From Chicago Daily Tribune, Nov. 13 -

INTERNATIONAL HARVESTER BOOSTS PRICES BY 9 PER CENT-The International Harvester company yesterday announced that it has ordered a 9 per cent increase in prices of farm implements and farm tractors, effective immediately.

"We have had only one 10 per cent general price increase on our farm implements and farm tractors in five years, or since 1941," the company said in explaining the increase.

"The result has been that for a long time the company has been manufacturing and selling many of its farm machines at a loss. Because of our determination to hold any price increases to a minimum, we have based the increase only on present higher wage and material costs and have not tried to anticipate future increases in these items."

- - - -

SIMPLE TYPES OF NEIGHBORHOOD GROUPS ARE REPORTED DISAPPEARING, Des Moines, (AP) - The simple face-to-face or "neighborhood" types of association are disappearing gradually in America, Carl C. Taylor of the U. S. Department of Agriculture said Tuesday.

The informal, local units of organization and operation, such as schools, churches, exchange of work, recreational and welfare activities are giving way to contractual and institutional arrangements, Taylor said. Taylor's talk at an opening session of a three-day national convocation on the church in town and country dealt chiefly with the growing trend away from farms in America and the accompanying changes in the way of living.

"Some body of rural statesmen," Taylor said, "must clearly appraise the import of these changes and furnish the values by which adjustment to the changes can be made and the good way of life preserved and constructed for future generations."

NOV 21 1946

Farm Digest 2495-46-6

★ DEC 16 1946 ★

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6301.)

From The New York Times, Nov. 20 --

OPA RAISES SUGAR PRICE $\frac{1}{2}$ c A POUND: NO ACTION ON STAMPS EXPIRING SOON--
Washington--The Office of Price Administration raised refiner prices on raw sugar today and said that consumers, as a result, would pay about a half cent more a pound.

The agency stated that the increase, the second in two months, was required by provisions of the sugar buying agreement between the Commodity Credit Corporation and Cuba, this country's largest supplier.

OPA did not say what immediate effect the increase might have on supplies which have been far from adequate to meet consumers' rations as represented by their coupon books.

There are at present three coupons outstanding, but consumers in many areas have been unable to spend them because they cannot find sugar in the stores. The validity of canning stamps Numbers 9 and 10 was extended last month from Oct. 30 to Nov. 30. At that time, it was said, the shipping strike had held up distribution of sugar supplies.

Consumers are now wondering if stamps 9 and 10 will be further extended or if they will be valueless when the sugar supply meets the demands.

-- -- --

99.7% OF PLEDGES TO UNRRA PAID UP--Out of a total of \$3,694,500,914 pledged for the support of the United Nations Relief and Rehabilitation Administration, only \$11,760,087 of operating contributions and \$349,199 of administrative contributions remain unpaid, it was revealed yesterday.

These figures were reported at Flusing Meadow at a meeting of the United Nations committee on the UNRRA, at which it was emphasized that 99.7 percent of all pledged UNRRA contributions had been paid. Representative Sol Bloom, Democrat, of New York, chairman of the committee, praising the support and cooperation he had received, indicated that he would continue to strive to achieve 100 percent contribution from all countries.

-- -- --

LAND DISTRIBUTION NO CURE IN MEXICO--Mexico City--President-elect Miguel Aleman knows as well as anyone that Mexico must turn to industrialization if living standards in this country are ever to reach the minimum requirements of health and welfare. But he also knows that an agricultural nation cannot be turned overnight into a manufacturing one and that meantime land problems are pressing ever closer.

Restlessness of the peasants is an acknowledged fact and while the incoming Chief Executive has not said exactly to what extent he intends to promote the "ejido" system (communal use), former Deputy Alejandro Carillo, who is close to the Aleman Administration, declared recently that the "distribution of the remaining land is essential to keep peace in the rural areas."

(Turn to page 2 for other items
in today's N.Y. Times.)

-- -- --

From New York Times, Nov. 20 -

FOOD TRADE IS TOLD PUT HOUSE IN ORDER-The grocery trade must put its house in order now if it wants to keep the Government out of its business and maintain a twenty billion dollar a year volume, Patsy D'Agostino, president, National Association of Retail Grocers, said yesterday. Speaking at the annual convention of the Grocery Manufacturers of America, Inc., at the Waldorf-Astoria he warned that the questionable practices of secret rebates, advertising allowances and the placing of the full weight of higher prices on retailers will lead to discord within the industry comparable to prewar days.

In meetings devoted to postwar problems of the grocery trade speakers warned the manufacturers to prepare, by careful market study, for a general business recession even if a decline is not on the immediate horizon.

- - - -

UNEASINESS MARKS TRADING IN COTTON-Nervousness prevailed in the cotton futures market yesterday as traders weighed possible developments in the coal strike situation and considered the new credit and margin rules that were approved by the board of managers of the New York Cotton Exchange on Monday. The market displayed a heavy ton during the most of the session and closed above the day's lows, but with net losses of 15 to 42 points.

- - - -

WHEAT FUTURES UP IN CHICAGO WHEAT-Chicago-Wheat figures continued on the upgrade on the Board of Trade today, buying attributed to mills being a factor.

Closing trades were about the top with gains of $\frac{1}{2}$ to $1\frac{3}{4}$ cents a bushel, the latter on January, which came within $\frac{5}{8}$ cent of the seasonal top of $\$2.12\frac{1}{2}$ established a month ago. Corn showed strength early but reacted with oats and finished unchanged to $\frac{1}{4}$ cent lower than yesterday.

- - - -

CITY LOSES TWICE ON MILK DELIVERIES-New York City's fight to increase its supply of milk by fixing the amount to be delivered to neighboring counties over the city line suffered two legal setbacks yesterday in a decision of the Appellate Division, Second Department.

The court unanimously denied the city's petition for an order to vacate a temporary injunction issued Sept. 16 by Supreme Court Justice Charles W. U. Sneed in Westchester County restraining the New York City Department of Health from enforcing its regulations controlling the flow of milk into the metropolitan area.

The court's ruling, however, is not expected to cut appreciably into the city's available milk supply. On Nov. 8, Health Commissioner Israel Weinstein obtained approval of an order by Dr. C. J. Blanford, market administrator for the New York metropolitan milk marketing area, requiring milk handlers to ship 90 percent of their output in fluid form to the city and its suburbs. The order became effective on Nov. 9 and will terminate on Dec. 31, when it is believed the season of short supply will have passed.

- - - -

AGRICULTURE DEPT. TO REPORT MONTHLY ON COTTON TRADERS--(Bureau of Journal of Commerce)--Washington, Nov. 18 - Regular monthly reports on the market positions, by classes, of large traders in cotton futures will be published by the Department of Agriculture so that the trade may judge the effect of speculative activity on the market, Secretary Clinton P. Anderson announced today.

At the same time that he revealed the department's new report procedure, Mr. Anderson said that the October price break was the result of a large-scale increase in speculative activity in the cotton futures market. . . .

Today's report shows that by Oct. 15, 1946, long speculative holdings of large traders had increases to 417,000 bales, five times as large as one year earlier. These figures further disclose a net reduction by long speculators as a group of approximately 145,000 bales between Oct. 15 and 31.

- - -

RIISING CONSUMER RESISTANCE SEEN CHECKING INFLATIONARY FOOD PRICES - Growing consumer resistance to sharp price advances on food and grocery products will definitely curb inflationary tendencies on food lines and may leave speculative purchasers of some lines "out on a limb" and facing substantial inventory losses, representative food industry spokesmen said here yesterday.

Gathered for the 38th annual convention of Grocery Manufacturers of America, now in session at the Waldorf-Astoria Hotel, food men are carefully checking reports from distributing channels bearing upon consumer reaction to some of the sharp price advances which have come in the wake of decontrol.

- - -

COTTON TRADERS HIT SUPERVISORY SETUP - The proposal made by the Board of Managers of the New York Cotton Exchange to set up a special Supervisory Agency over the three cotton exchanges of the country with far-reaching powers already has hit a snag.

Strong opposition became evident yesterday among members of the exchange following the surprise publication of the proposal.

Key provision under the proposed set-up would be the function of the agency as registrar for all open cotton positions. Every exchange member would be called upon to report all its accounts over 2,000 bales to the supervisory agency.

Strong opposition against such revelation of names of customers by exchange members started to develop yesterday despite the fact that such agency would of course be pledged to strict secrecy.

- - -

FARMERS' CASH RESOURCES, Editorial - While some doubts are expressed as to the outlook for retail trade generally next year, prospects are exceptionally bright for record sales to farmers during 1947. Not only is farm income at an all-time peak this year, but cash assets have been accumulating in the hands of farmers on an unprecedented scale. These cash resources are available to finance purchases of goods and equipment that have not been available during the war years.

The Institute of Life Insurance quotes official statistics showing that cash and savings bonds held by farmers have increased fourfold to more than \$20,000,000,000 since 1941. At the same time, mortgage and other indebtedness has been reduced by 20 percent to \$8,000,000,000. . . .

It is not customary for farmers to keep on hand large surpluses of liquid resources such as they now possess. It may be expected, therefore, that they will turn such resources into durable goods more rapidly than will other segments of the population.

(Turn to page 4 for other items from today's N.Y. Journal of Commerce.)

- - -

From the New York Journal of Commerce, November 20 (Cont.) -

SUGAR BAGS SHORT FOR BIG CUBAN CROP - The jute bag industry has become the sugar industry's most pressing problem, Luis Mendoza & Co., of Cuba report.

Figuring on a Cuban crop of 5,000,000 long tons (35,000,000 bags), the Cuban industry will lack 11,000,000 bags, Mendoza reports, after allowance is made for second-hand bags and what has been promised by India. . . .

"It is up to the CCC to give a helping hand, not only in obtaining new bags but in recovering the used ones from Europe. Regarding Canada, we have been assured by the proper authority that we may get them all back, but we must through the CCC impress all European purchasers of our sugars that if they want to get their quota in 1947, they must co-operate with us."

- - -

SMALL FLOUR OFFERS CURB EXPORT SALES - Further export inquiries were reported for flour yesterday but it was increasingly difficult to obtain offerings in view of the fact that many mills, in order to participate in this business, would be compelled to draw upon their domestic quotas.

Few mills, without an historical export background, were willing to risk loss of domestic outlets for what many believed to be a brief participation in the export market, however lucrative, while regular export mills appeared to have all the business they can handle for extended periods.

- - -

From the New York Wall Street Journal, November 20 -

FARM AND FISH OILS REFINED CHEAPLY BY GAS-SOLVENT PROCESS - More good soap for your face, more quick-drying paint for your house, more dressing for your salads and more vitamins for your weakened constitution are coming.

To be thanked: A new process for separating vegetable and animal oils.

The process, developed by M. W. Kellogg & Co., uses propane gas (like the bottled gas used for home cooking) from petroleum as a solvent to separate the oils into half a dozen different components. Among them: Oils for food, fats for soap, fast-drying oils for paint - and vitamins.

Left over after the separation is a small residue labeled "gunk," containing strange chemicals which even the lab men can't define. The chemists have a hunch this "gunk" may produce new vitamins. . . .

Already five large industrial plants, one of them to process 400,000 pounds of tallow a day, are being built at a cost of several million dollars. Who they are being built for is still a secret as far as Kellogg is concerned. . . .

Cottonseed oil, U. S. production of which is about a billion pounds yearly, is one of the mainstays of Southern farmers. It is now processed by alkalies and requires a half dozen costly, messy steps that hurt the quality of the oil.

The new Kellogg procedure will handle the cottonseed oil in one simple process -- taking the color from the basic oil, removing fatty acids for soap making, and leaving a superior food oil.

One of the most important applications of the new process will be on soya bean oil, of which the U. S. produces about 1.2 billion pounds yearly.

- - -

GOVERNMENT STILL SOLE DISPENSER OF FOREIGN LINSEED OIL; PRICES UP - The U. S. Government continues as the sole dispenser of foreign linseed oil. Recently the Government bought 32,000 tons of linseed oil in the Argentine at prices ranging from 27½ cents to 28 cents a pound.

So far about 10,000 tons has been delivered to the Port of New York. Part of this has been offered to crushers who resell it to the trade. Farm Digest 2505-46-4

From Kansas City Star, Nov. 17 -

PINCH ON MILLS-Thousands of man-hours of work have been lost the last two weeks by Kansas mill employees because of the slow strangulation of shipping brought on by the acute boxcar shortage.

How rapidly the shortage of boxcars is growing is illustrated by the large backlog of grain and the speed with which it is increasing. Grain enough to fill 2,856 cars for immediate shipment was on hand in Kansas City public elevators on October 22. Since that time more than 2,150 additional cars of grain have accumulated, bringing the backlog to more than 4,900 carloads.

In an effort to keep flour and feed shipments moving, virtually all mills have purchased unneeded wheat in order to get boxcars, and it has been estimated that the competitive buying in order to get cars has hiked the price of wheat sufficiently recently to account for an additional cost of from \$50 to \$100 per car.

- - - -

From Chicago Journal of Commerce, Nov. 18 -

GRAIN TRADE MIRROR - A growing number of complaints of car shortage from country shippers has brought the transportation factor up to the front again. As the country is concentrating on corn movement in this area, the corn market trend is directly affected. The willingness of producers to sell corn is indicated by the fact that last week Chicago received 324,000 bushels of corn by truck and 1,354,000 bushels by barge, out of total receipts of 4,429,000 bushels. Total arrivals of corn in the corresponding week last year were 2,756,000 bushels.

Wheat continues to offer more encouragement to holders than do the other grains. The daily export buying by the government and steady milling demand readily absorb the wheat arriving at terminals, and cash wheat prices hold strong. Visible supply of wheat is small for this period of the year and with boxcars hard to get the country marketings of wheat may fall short of current demand, let alone permitting some building up of stocks at terminals.

- - - -

From Chicago Daily Tribune, Nov. 15 -

CCC'S EXPORT BUYING-Since the announcement Wednesday by the commerce department of relaxation of export license restrictions on flour, the milling industry expects substantially increased flour business from South American countries and the Philippines.

Whether exports to these countries will be considered a part of the 250 to 275 million bushels of wheat and flour equivalent the government plans to provide foreign countries this year was discussed by Chicago grain men yesterday. They recalled that to date the CCC has purchased only 85 million bushels of wheat, of which only 53 million bushels have been received, though this does not include four which may have been shipped on the program. Some grain men believe it will be impossible for the government to deliver the entire quantity because of congested transportation facilities.

- - - -

From Atlanta Constitution, Nov. 15 -

FARM FEDERATION BACKS PACE BILL, Macon, Ga. - Resolutions adopted by the Georgia Farm Bureau Convention asked for parity price on farm products to include the cost of labor, materials and a fair profit for the farmer; asked passage by the Legislature of a right-to-work bill, and condemned subsidies.

The convention by resolution urged passage of the Pace parity bill. Commendation was given the land grant colleges, the Extension Service, nearly all other agriculture groups, the Commodity Credit Corporation, and the progress of REA.

- - - -

From New Orleans Times-Picayune, Nov. 17 -

POTATO ACREAGE REDUCED SHARPLY, Baton Rouge, La. - Faced with the possibility of "great waste and a price collapse in 1947," Louisiana's Irish potato crop next year will be limited on an individual farm basis, L. A. Mulin, state director of the production and marketing administration, said today.

Louisiana farmers this year harvested 45,000 acres of Irish potatoes, of which more than 25,000 were for commercial purposes, the state FMA head estimated. Next year's goal has been established at 24,200 acres.

- - - -

From New Orleans Times-Picayune, Nov. 14 -

DEEP SOUTH FARM EQUIPMENT MEN HEAR COUNSEL-I. W. Duggan, governor of the Farm Credit Administration, told the convention that American agriculture "is still in high gear and looks as if it might stay there for another year or two at least."

Further mechanization will result in increased production, shifts in production, increased output per worker, decreased number of workers per farm, and probably will reduce costs of production, he said.

Mechanization will result, in some areas, in the employment of only one-fifth as many workers as in the past on farms, Mr. Duggan predicted, and called on the South to industrialize sufficiently to provide jobs for the persons displaced by farm machinery.

"Now, when we are prosperous, is the right time to set up new industries in the South and to train farm workers for their new employment," he asserted. "The South will be able to handle its own labor problems if it starts in time."

- - - -

From Chicago Journal of Commerce, Nov. 15 -

8,862,000 TONS OF SUGAR SEEN FOR U.S. IN '47, New York, N.Y.-The United States will receive about 54 per cent of its sugar from Cuba, the United States-Cuban Sugar Council reported here today. The total available from all areas should reach 8,862,000 short tons, it said. This country will be able to buy 4,762,000 tons of sugar from Cuba next year, or about six-sevenths of the island's total estimated output. This compares with the 3,771,000 it got last year. For the last three years, about 3,000 of the total 13,000,000 tons of that commodity it made available to the U.S. have been allocated to consumers elsewhere through the Combined Food Board and its successor, the International Emergency Food Council.

- - - -

914
D14
2
DAILY FARM NEWS DIGEST
(For November 21, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6301.)

From New York Times, Nov. 21 -

\$790,000,000 SEEN IN SUBSIDIES CUTS-Washington-Almost \$790,000,000 or more than three-fourths of the Government's billion-dollar subsidy program will be saved as a result of President Truman's sweeping decontrol action on Nov. 9, John R. Steelman, Director of War Mobilization and Reconversion, stated today.

In a special statement released after he had started his air journey to join the President in Key West, Fla., the OWMR chief pointed out that almost all subsidies were automatically ended when Mr. Truman wiped away controls.

Subsidies from July 1 to Nov. 9 totaled \$119,061,000 for industrial and commercial commodities and \$18,365,000 for agricultural products, for a combined sum of \$137,426,000 the report disclosed. Additional obligations extending to the end of the fiscal year on June 30, 1947, will add up to another \$72,270,000 it was stated.

The Reconstruction Finance Corporation and the Commodity Credit Corporation have been principally responsible for the government's subsidy program. The RFC will continue its copper, lead and zinc premium price plan for maintaining production of these metals, and the stripper oil well subsidy for achieving maximum drilling operations, it was said.

The CCC also will continue its program for supporting prices paid growers of sugar beets and sugar cane in this country, and absorbing a portion of the price of cane sugar from Cuba, Hawaii, Puerto Rico and the Virgin Islands.

- - - -

UNRRA COUNCIL TO MEET-Washington-The United Nations Relief and Rehabilitation Administration announced today that another UNRRA Council, the sixth session of that body, would be held to deal with policy questions involved in the winding up of the UNRRA's affairs.

The council will convene in Washington on Dec. 10, at the Hotel Shoreham. The transfer of the UNRRA's functions to other international agencies will be the chief order of business. The agenda will be set at the opening meeting.

- - - -

VAST WISCONSIN AREA DAMAGED BY EROSION-Washington-Erosion from wind and rain has removed more than one-fourth of the topsoil from 14,694,041 acres in Wisconsin, or about 41.6 percent of the State's total land area, it was disclosed by Agriculture Department records.

The Department's Soil Conservation Service estimates that 500,000 acres of land over the country is ruined every year by erosion and the direct and indirect costs of erosion annually amount to more than \$3,000,000,000.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

From New York Times, Nov. 21 --

FOOD PRICES FALL IN TEN BIG CITIES-Washington-Prices of twenty food items fell an average of 1 to 2 percent between Oct. 29 and Nov. 12 in nine large cities, the Labor Department's Bureau of Labor Statistics stated today.

The survey, which covered twelve cities, also showed that food prices declined $\frac{1}{2}$ percent in Denver, while in New York and Detroit they averaged about the same.

Because of decontrol actions, the prices might have been expected to rise, but the bureau offered no explanation other than that "in part the decline was seasonal."

Increased supplies and "consumer resistance" were credited with lowering the price of meat in the cities surveyed. Round steak prices fell about 17 cents a pound in Washington, 9 cents in Boston and 8 cents in Los Angeles.

-- -- --

5 MILLION POUNDS OF SUGAR DUE TOMORROW-There could be no brighter news for New York City housewives than that received yesterday from one of the large sugar brokers, B. W. Dyer & Co.

It announced that the United Fruit Line's S.S. Bight Knot is scheduled to arrive from Cuba tomorrow at 3 a.m. with a cargo of 5,000,000 pounds of refined sugar in her hold. This amount, enough to give every New Yorker at least a cup or to fill a million ration stamps for five pound purchases will be distributed largely in the metropolitan area.

If the ship docks on time and the weather permits, this sugar will be in retail stores, if not in time for Thanksgiving, a day or two afterward at the latest.

-- -- --

CASH WHEAT SETS NEW HIGH MARKS-Chicago-Cash wheat sold today at \$2.25 a bushel on the Board of Trade and at \$2.30 in St. Louis to establish a new high mark since 1920. This started a buying movement in futures that lifted the January delivery here and the December contract in Kansas City to new seasonal high prices. Profit taking caused a reaction from the top, but closing trades were at gains of $\frac{1}{2}$ to $1\frac{1}{2}$ cents a bushel.

-- -- --

COTTON IS UNABLE TO PUSH FORWARD-Reflecting heavier hedge selling from the South and disinclination of traders to add to their commitments, cotton futures on the New York Cotton Exchange yesterday again displayed a soft tone, with prices showing final net losses of 30 to 45 points.

The market started 12 to 37 points below Tuesday's closing levels and encountered some trade and local buying that launched a slight rally. Demand from these sources started recurrent feeble rallies throughout the morning, but in the afternoon the support appeared to be absent.

-- -- --

PROTESTS STAMP COTTON EXCHANGE - Protests from the cotton trade throughout the South poured into the New York Cotton Exchange yesterday as a result of proposed revisions of credit and margin requirements approved by the Exchange's Board of Managers late Monday.

A petition asking for a full hearing and discussion by the entire membership of the Exchange was signed by more than the necessary twenty-five members in New York, with dozens of wires, requesting that out-of-city names be added, flooding the office of Frank J. Knell, president of the New York Cotton Exchange.

In accordance with the petition, Mr. Knell called a general meeting of the entire membership for Tuesday, Nov. 26, to hear discussions on the report of the Special Committee appointed to investigate margins and credit.

- - -

LOANS TO BUSINESS BY BANKS IN 101 CITIES TOP \$10 BILLION - Commercial, industrial and agricultural loans outstanding for member banks of the Federal Reserve System, located in 101 leading cities, on Nov. 13 totaled \$10,029,000,000. This is the first time such loans have passed the \$10,000,000,000 mark in the records of the Reserve banks, according to the report of the Federal Reserve Board.

- - -

SEPTEMBER WHEAT GRIND UP SHARPLY-(Bureau of Journal of Commerce)-Washington, Nov. 20 - Flour mills ground much more wheat in September than in August, but they produced less flour, according to the Bureau of the Census.

The reason for this was the lifting of the emergency control over the flour extraction rate by an amendment to War Food Order 144, effective Sept. 1, census officials said.

Production of wheat flour by mills reporting regularly to the Bureau of the Census amounted to 23,000,000 lion sacks in September, compared with 23,900,000 in August, a decrease of 1 per cent. On the other hand, offal production increased by 27 per cent, from 56,000 short tons to 451,000 short tons.

- - -

U.S. WOOL PROJECT BRINGS ECONOMIES - The first of two projects under the joint auspices of the National Wool Growers Association, the United States Department of Agriculture, and Texas A & M College, which it is hoped will result eventually in delivering the annual clip of domestic wool to manufacturers sorted, skirted and graded, has just been completed, the American Wool Council has announced.

Five hundred thousand pounds of Texas wools have been sorted and graded in Fort Worth under the joint direction of the Texas Wool and Mohair Association and Texas A & M College and have been shipped to woolen manufacturers. The project, including the sale of the sorted wool and the scouring and sale of the off-sorts or shorter fibers, all at prevalent market prices, will show a profit, it is declared by Dr. Francis J. Cronin, director of the wool division of the Department of Agriculture.

- - -

PEANUT MOVEMENT FAIR ON NEW CROP-(Bureau of Journal of Commerce)-Washington, Nov. 20 - New crop peanuts are moving in fair volume in the Southeastern and Southwestern areas, although heavy fall rains have caused some interruptions, particularly in Texas and Oklahoma, the Department of Agriculture announces.

(Turn to page 4 for other items from
today's N. Y. Journal of Commerce.)

From the New York Journal of Commerce, November 21 (Cont.) -

LAMBORN WANTS SUGAR HELD HERE - Every possible pound of sugar from areas of supply for the United States should be retained for the American people, Ody H. Lamborn, president of Lamborn & Co., Wall Street sugar brokers, told the annual meeting of the American Bottlers of Carbonated Beverages held in Florida yesterday.

The Grocery Manufacturers of America in their convention at the Waldorf-Astoria here heard exactly the opposite view expressed by D. A. Fitzgerald, secretary-general of the International Emergency Food Council. . . .

Lamborn emphasized that it is of the greatest importance that the Government should state immediately that it will not permit the shipment of any sugar from our sources of supply to foreign destinations (other than prewar normal destinations and in as modest amounts as possible) except for proved famine relief, and that the Government should announce as quickly as possible that it will not purchase any 1948 sugar crop anywhere.

He stated further that unless new legislation is enacted by the new Congress, convening in early January, sugar rationing can end at any time between now and March 31, 1947, and price control may be terminated under the law by the President or Congress before June 30, 1947.

- - -

CHEESE ADULTERANT TEST CASE OPENS-Madison, Wis., Nov. 20 - The first attempt by the State Department of Agriculture to prosecute for violation of the State statutes which prohibit the use of calcium chloride or its derivatives as preservatives in the manufacture of cheese is being tried in the Crawford County Circuit Court at Prairie du Chien this week.

The action was brought against two cheesemakers, and is being looked upon in the cheese industry as a test case. . . .

The defendants have argued that the use of small quantities of preservative in the cheesemaking process is harmless, that it is an established technique in the art of making high quality cheese, and that the calcium chloride has the effect of reducing wasted fat in the whey.

The State contends that the use of such preservatives tends to conceal without correcting the possible use of unsanitary milk in the manufacture of dairy products.

- - -

From the New York Wall Street Journal, November 21 -

LIBERATED LUMBER - Lumber, the king of building materials, has banged its head against a price ceiling of consumer resistance. And super-prices are tail-spinning.

Some 60% to 70% of all lumber merrily evaded the ceilings of O.P.A. The new consumer ceiling is air-tight. Evasion is out. Black marketeers caught with "gold plated planks" are sweating.

These points high-light a Wall Street Journal survey of liberated lumber in 10 cities. One additional finding: Production of the scarcest types of lumber, rendered profitless under O.P.A. ceilings, is already snapping back.

Builder resistance to high prices is reflected in retailer refusals to buy from mills and middle-men at inflated quotations. From coast to coast the story is the same. Lots of lumber begs for buyers.

- - -

From Des Moines Register, Nov. 15 -

WHY PRICE CONTROL ON SUGAR AND RICE-Editorial-Price controls remain on sugar and rice not because of any crop failure within the United States but because of world commitments to ship large quantities of these basic foods to fight starvation in Europe and Asia.

Frankly we are unable to see that any hardships are involved. Instead of rice, we have available an oversupply of potatoes, which are most difficult to ship overseas for relief purposes. And our sugar rations are liberal compared with the amounts handed out to individuals in other lands. Restraint in the use of these two commodities is an insignificant price to pay when it helps to keep people alive until the production of food can be resumed in war-devastated countries.

- - - -

RURAL AREAS CALLED LIFEblood OF CHURCH-Dr. Elliott L. Fisher, New York, N.Y., urged Protestants Thursday to be as wideawake as Catholics in interesting parishioners in working the land.

"The strength of the nation lies in the small community," Dr. Fisher said, "because the rural birth rate is 50 per cent higher than the city. This leads to the conviction that the future of American church is there also.

"There never was a day when the rural community was of more importance than it is today. The products of the soil will do a lot to solve the problems of international understanding. Starving people now are more interested in food than in all the proclamations of diplomacy. Rural people will have a large part in writing a just and durable peace."

- - - -

From Watertown Daily Times, Nov. 15 -

FARM TRAINING PLAN OUTLINED, Belleville,-The board of education of Belleville Central school, at its meeting Tuesday, went on record establishing a new course for all persons interested in agricultural training.

This course entitled, "Institutional-on-Farm Training," provides an opportunity for any person to train in the agricultural field by using a combination of school and on-farm training.

The length of this course will be two years. The tuition charge for this course is \$100 for 200 hours of classroom instruction and \$200 for 100 hours of on-the-farm supervision. This course is open to veterans and non-veterans.

- - - -

From San Francisco Chronicle, Nov. 16 -

VAUGHN SAYS MEAT CRISIS ISN'T OVER-A severe shortage of meat until mid 1947 was predicted yesterday by Howard Vaughn, president of the California Wool Growers' Association before the Commonwealth Club.

"You will not eat as many lambs and calves and pigs next spring because you ate their mothers two years ago," Vaughn said.

- - - -

From Democrat and Leader, Davenport, Nev. 18 -

PLENTY OF DRUMSTICKS Editorial-There will be plenty of drumsticks and fixin's to go around on Thanksgiving, now a matter of less than two weeks away. The supply is ample, despite the heavy demand for poultry and turkey caused by the meat shortage earlier in the fall, according to a survey of the nation's leading food distributors. Prices will be approximately the same as last year, ranging from 49 to 87 cents a pound. Chickens and ducks will be about the same as a year ago, and will command about the same price as a tom turkey.

As for the fixin's, the 1946 potato crop is expected to hit an all-time high of 475,000,000 bushels; cranberry production is now estimated at more than 800,000 barrels compared with 656,000 barrels in 1945 and a 10-year average of 624,000; and onion production may soar to 37,500,000 50-pound sacks, two million more than the previous high set in 1944.

Celery, winter squash, nuts, grapes, pumpkin and apples are available in good supply, while the heavy wheat crop assures an ample supply of bread for dressing. Oh, Boy! It looks like there's a feast a-comin'.

- - - - -

From Christian Science Monitor, Nov. 18 -

GRAIN 'ABUNDANCE' DENIED BY BRITISH FOOD MINISTER, London,-Food has been featured in heavy headlines here over the week end. And what conflicting headlines!

Sunday newspapers came out with stories about the great gluts of grain in America, Canada, and the Argentine, and of huge shipments ordered by the British Food Minister, Mr. John Strachey.

While the printing presses were rolling off these optimistic statements, however, Mr. Strachey was giving quite a different picture to Essex farmers.

In reply to a statement that American farmers no longer want to hold back wheat for higher prices, Mr. Strachey said: "We shall, of course, purchase every ton of wheat from America up to our full requirements which the United States is willing to sell us. So far we have not been able to buy any wheat from the new United States crop." The main bottleneck is caused by America's transport difficulties.

- - - - -

From Salt Lake Tribune, Nov. 13 -

UTAH CELERY RESEARCH GROUP APPOINTED TO HALT LOSSES, Logan,-A celery research committee which will study celery growing problems in the state and make recommendations to Utah celery growers was appointed Tuesday at Utah State Agricultural college by Dr. R. H. Walker, director of the experiment station.

Members of the Utah Celery cooperative suffered a loss of about \$150,000 in actual production costs this year because of heavy infestations of insects and diseases, reported John W. Gurber, general manager, and Ed Davies, superintendent, production department. Even under present low market prices, around \$400,000 worth of celery was destroyed by diseases and insects. This represents about 40% of the 1946 crop.

- - - - -

(The newspapers and magazines from which these agricultural items are taken are on file In Press Service, Room 409A. Phone Gene Harrison at 6301)

From New York Times, Nov. 22

CEREALS FOR RELIEF AMPLE, SAYS DAVIS-Washington-No country-wide belt tightening campaign to help feed the hungry overseas is in immediate respect, Chester C. Davis, chairman of the President's Famine Emergency Committee, told a news conference at the Department of Agriculture today.

Mr. Davis explained that there were more cereals available than this country had been able to get to United States ports, due to a critical shortage of box cars. If transportation were still further slowed by the coal strike, it would be "a national disaster," he added.

He said that a Cabinet subcommittee consisting of representatives of the Commerce, Agriculture and State Departments, was hard at work on the box car problem.

Mr. Davis conferred with the Secretary of Agriculture, Clinton P. Anderson Paul C. Stark, also of the Famine Emergency Committee, and James A. Stilwell, an economic adviser of the State Department on the situation overseas before going to New York to attend a meeting of the Advisory Committee on Voluntary Foreign Aid of which Charles P. Taft is chairman.

He said that there was no question of the continuing need overseas for American grain, and that his committee would remain in "a stand-by status" pending a call from the President.

Agriculture officials said that transportation difficulties were not too great that the department would have a difficult time exporting 150,000 tons of wheat by Dec. 31.

- - - -

TURKEY, CHICKEN AND DUCK ARE ABUNDANT AND MODERLY PRICED FOR THANKSGIVING-For those New Yorkers who are planning to stock their Thanksgiving larders with turkey, chicken or duck the word from local Government agencies and Long Island poultry farms yesterday was that fowl would be plentiful and would cost only slightly more than when under price control Poultry will be available at prices considerably below the black market levels of a year ago.

According to the United States Department of Agriculture, forty one million pounds of assorted fowl were in the stores and warehouses of the city yesterday an increase of three million pounds over the poultry available here last year at this time. The large supply has kept prices at a reasonable level.

- - - -

NEW RISE IS SHOWN IN U.S. CARLOADINGS-Washington-Loadings of revenue freight for the week ended on Nov. 16 were 917,124 cars, the Association of American Railroads announced today. This was 3,779 cars or 0.4 percent more than for the preceding week, 116,590 cars or 14.6 percent more than last year and 53,132 cars or 6.1 percent more than for the corresponding week two years ago.

From New York Times, Nov. 22 -

COTTON REGISTERS 54 TO 90 POINT LOSS-Cotton futures on the New York Cotton Exchange slumped in sympathy with other markets yesterday closing 54 to 90 points lower.

Starting 11 to 39 points lower the market had only short lived rallies during the day.

- - - -

GRAIN FLUCTUATES IN TORPID TRADING-Chicago-The grain markets on the Board of Trade fluctuated nervously today, and trading was restricted by the coal strike. However, there was no evidence of weakness in wheat which close $3/4$ to $2\frac{1}{2}$ cents a bushel higher than yesterday with January at a new twenty six year high of $\$2.15\frac{1}{2}$. Cash wheat was quoted as firm to 1 cent up in leading markets.

Corn broke 1 cent early but rallied on aggressive buying of January, attributed to New York export interests, and finished with net gains of $1/8$ to $1\frac{1}{4}$ cents.

- - - -

From New York Herald Tribune, Nov. 22 -

WORLD TRADE DELEGATES DROP TARIFF QUESTION-London-After having been snagged for three days on a discussion of the complicated question of multilateral tariff reductions, the Preparatory Committee of the International Trade and Employment Conference moved ahead today toward the final stage of its work now due to be completed next week.

The tariff question as such is not being dealt with by this meeting of trade delegations from seventeen countries, but the question of drafting a provision in the proposed world Trade Charter under which tariffs would be reduced at a later stage began suddenly to cause trouble this week at a time when almost every other matter under discussion had been disposed of.

- - - -

PRIMARY MARKET PRICES UP .7% IN NOV. 16 WEEK-Washington-Average primary market prices rose 0.7 percent during the week ended Nov. 16, 1946, following President Truman's general decontrol directive. Prices rose sharply for some industrial raw materials, many of which had been removed from price control earlier. Prices of many industrial products remained unchanged. Agricultural prices, already decontrolled, also advanced. The index of commodity prices prepared by the Bureau of Labor Statistics, United States Department of Labor, reached 135.8 percent of the 1926 average, 0.5 percent higher than in mid-October and 27.8 percent above the corresponding week of last year.

- - - -

From the New York Journal of Commerce, November 22.-

DAIRY PRODUCTS PRICES DUE TO DROP-(Bureau of Journal of Commerce)-Washington, Nov. 21 - Dairy products prices have about reached the peak for 1946 and probably will decline soon as production turns upward after the seasonal low, the Bureau of Agricultural Relations predicts.

In mid-October, the index of prices received by farmers for all dairy items was 286 (seasonally adjusted, 1910-14 equals 100), compared with 261 in July of this year and an average of 122 for the 1935-39 period.

The desire of manufacturers and distributors to build up and maintain stocks has helped account for the rising prices of dairy products, but will have less effect after the coming production upturn.

- - -

FARM UNION URGES PARITY WAGE PLAN-Washington, Nov. 21 - The National Farmers Union urged the nation today to consider the use of a "parity" wage formula -- patterned after the farm parity price formula -- to maintain industrial peace and a high level of income for labor.

Under such a formula, wages would rise and fall with similar changes in the cost of living.

In the case of the agricultural formula, parity prices -- which are described by law as those equally fair to farmers and consumers -- rise and fall with similar movements in prices of things farmers buy.

"We are inclined," the Farmers Union said, "to question very seriously the attempts to revise the Wagner Labor Relations Act, to impose arbitration, and otherwise to change the present basis of labor-management relations."

- - -

ARGENTINA SUSPENDS CORN EXPORT PERMITS - The Argentine Government yesterday suspended all export licenses on corn.

It was officially stated that this step was taken in view of probable new crop corn losses, principally from locusts, which are present in very large numbers in northern sections of the country, and which threaten to move southward as the season progresses.

The last Argentine corn harvest was greatly curtailed by locusts and it was believed in the trade that the unsold surplus has dropped to a very low level following substantial exports over the past several months.

- - -

HAY AND FEED - Feeds- There has been no indication of any improvement in the slow demand which has featured the feed market over the past few weeks with dealers; in numerous instances, still amply supplied as a result of earlier accumulations.

Moreover, consumption of feed ingredients has been running much below a year ago due to sharp contractions in poultry flocks which are not likely to be rebuilt before spring, trade spokesmen pointed out.

Some feed ingredient prices have displayed a somewhat easier undertone but others, particularly high protein meals, have maintained a substantial premium over former maximum levels. Production of mill feeds has been heavy owing to domestic and export orders, and prices again receded during the past week.

- - -

From the New York Journal of Commerce, November 22 (Cont.) -

BOSTON WOOL MARKET QUIET FOLLOWING CCC PRICE RISE-(Bureau of Journal of Commerce)-Boston, Nov. 21 - The local wool market has been quiet the past several days. Only scattered small sales of foreign wools, needed for quick use, were reported and most of these sales were at levels showing little or no change from the recent OPA control prices.

Handlers of domestic pulled and shorn wools say the demand for CCC stocks has been practically nil since Armistice Day, when Commodity Credit Corp. advanced its selling prices approximately 5¢ per pound, clean basis, on shorn and pulled wools. Even scoured and carbonized wools, which heretofore had been in steady demand, did not seem to be of any particular interest to manufacturers at the new price levels. As a matter of fact some mills, which have been consistent buyers of AA pulled wools in the past, are making inquiries about comparable South American and Australian scoured types.

- - -

BRAZILIAN COTTON EXPORTS DECLINE - Brazilian competition in world cotton markets appeared to be hit hard as private reports, received by Bunge Corp. indicated that exportable surplus of cotton from Santos was estimated at about 18,000 tons monthly through May, 1947. The total available cotton for shipment was set at between 90,000 to 110,000 tons.

The current crop was estimated at about 175,000 tons, included in warehouse stocks amounting to 297,000 tons. Another 80,000 to 100,000 tons were tentatively estimated in the interior.

- - -

6,533,228 BALES GINNED TO NOV. 14 -Washington, Nov. 21 (AP) - The Census Bureau reported today that 6,533,228 running bales of cotton from the 1946 crop were ginned prior to Nov. 14. Round bales were counted as half bales and linters were excluded.

This compared with 6,425,144 ginned to the same date last year and 9,486,356 in 1944.

- - -

From the New York Wall Street Journal, November 22 -

CPA REMOVES CONTROLS ON COTTON, BURLAP BAGS, KEEPS TWILL SET-ASIDES-Washington - Controls on the manufacture, delivery and use of textile bags, both cotton and burlap, were removed yesterday by the Civilian Production Administration.

Cotton mills no longer will have to set aside fabrics for industrial and agricultural purposes, for bags, or, with three exceptions, for cotton components for apparel, the C.P.A. announced.

The controls, first issued in November, 1942, and modified in many subsequent orders, were designed to hold bags to certain standard sizes and for use in certain critical products.

- - -

SOME INCREASE IN SUGAR RATIONS SEEN NEXT YEAR, Washington - No increases in sugar rations are likely before April 1, 1947, and boosts after then may be slim, according to James H. Marshall, chief of the Department of Agriculture's sugar branch.

Indications are that prospective supplies will permit a boost of 10 points in present industrial rations and five pounds to home users after that date, Mr. Marshall told the convention of American Bottlers of Carbonated Beverages at Miami.

From Des Moines Register, Nov. 19 -

FARMERS SEE A POSSIBLE CROP SURPLUS-With Iowa farmers realizing that problems of postwar agriculture are soon to be upon them, livestock and poultry producers discussed their plans for the future in a series of commodity conferences Monday in Des Moines. Almost without exception the conferences revealed the intention of farmers to maintain a high level of production for the coming year. In the case of hogs the indications are for an increase in spring pigs in 1947.

Other conclusions reached at the commodity conferences were: (1) Most producers present expressed the belief that they must do some pretty careful planning in the years ahead to avoid surplus production and resultant depressed prices. (2) They favor elimination of all existing production controls. (3) They are greatly interested in the plans of the federal government to maintain prices for two years at 90 per cent of parity under the Steagall amendment. (4) They showed considerable interest in programs for improvement of quality and increased emphasis on marketing.

At the swine producers conference, the group urged the United States department of agriculture and the agricultural colleges to develop all information possible on buying hogs by carcass yield.

Some farmers expressed the hope that producers go to the two litter system -- that of raising both spring and fall pigs -- to equalize marketing, and evenly spread more of the early year farrowings from March through May.

- - - -

From Chicago Journal of Commerce, Nov. 20 -

BAG SHORTAGE HELD THREAT TO CUBA'S SUGAR, Havana, - Luis Mendoza, Cuban sugar trade authority, has warned that a shortage of jute bags will seriously endanger the island's 1947 sugar production.

Calling upon the Commodity Credit Corporation to "give helping hand," not only in obtaining new bags, but in recovering used ones from Europe, Mr. Mendoza estimated the shortage at 11,000,000 bags. In reckoning the deficiency, Mr. Mendoza allowed for stocks on hand and the amounts definitely promised by India, along with second-hand bags to be returned from United States refiners. He "respectfully called attention of the CC to this most important question as Cuba lacks the necessary power to influence the Indian government."

- - - -

From Milwaukee Journal, Nov. 18 -

FARM MACHINE DEMAND RISES, Chicago, - Domestic and foreign demand for farm machinery has grown to such large proportions that it may be 5 or 6 years before all needs can be satisfied, industry leaders reported.

Production is moving at an accelerated pace, but any long range prediction is complicated by labor and material uncertainties. According to department of agriculture figures, production of tractors, manure spreaders, combines, and binders is lagging, but ploughs and corn pickers are ahead of 1941 levels.

All companies emphasized they would meet domestic demand first.

- - - -

From Watertown Daily Times, Nov. 19 -

FARM RESEARCH PLAN IS URGED, Syracuse, - Farmers in the northeast must adopt a comprehensive research program, covering both marketing and production, in order to meet increasing competition, delegates to the New York State Farm Bureau Federation's 31st annual meeting were told today.

Predicting that "farming will become increasingly competitive," Dr. Herrell DeGraff, professor of land economics at the State College of Agriculture, Cornell University, added in his prepared speech that such a research program would enable northeastern farmers to operate "with everincreasing efficiency."

- - - -

From Salt Lake Tribune, Nov. 18 -

WOOL GROWERS SLATE MEETS-Three basic proposals which will attempt to stabilize the price of wool and to reflect the economic importance of wool to the west will be submitted to Utahns and to woolgrowers' associations in other public grazing land states at special sessions to be called by governors of each state, J. Melvon Jones, assistant secretary of the National Woolgrowers' Association, said Sunday.

The program, to be submitted to the 80th Congress, asks:

1. That the Commodity Credit Corporation be allowed to sell domestic wool in competition with foreign wool.
 2. That wool be supported by the Steagall amendment or at not less than 90% of a comparable parity.
 3. That legislation be passed to establish an equitable price for wool and lands.
- - - -

From St. Louis Post-Dispatch, Nov. 20 -

HOW THE U. S. USES FOOD-Editorial-The United States Government has retreated from international co-operation in the matter of world food relief.

The political purpose of our withdrawal should be obvious to all the world. Half of UNRRA's aid has been given to Russia and its satellites: the Ukraine, Byelo-Russia, Albania, Hungary, Poland, Yugoslavia, and Czechoslovakia. Those nations have voted solidly against the United States and Britain in UN. So the United States announces that from now on it will dole out food relief by unilateral arrangement.

The American protestations of virtue in this maneuver ring hollowly indeed. UN Delegate Stevenson's pious claim that "we have never used food or the misery of human beings as a political weapon, and we do not intend to do so now" is somewhat overshadowed by the self-evident fact that we did so at the moment we withdrew from international co-operation in food relief.

If we can't co-operate with the rest of the world in a relatively limited project like keeping people from starving. How well can we be expected to co-operate in an unlimited project like keeping them from fighting?

- - - -

LIBRARY
SERIAL RECORD

DEC 6 1946

U. S. DEPARTMENT OF AGRICULTURE

Farm Digest 2525-46-6

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Nov. 25 -

POTATO GROWERS PROTEST U.S. CUT-Riverhead, L.I.-Opposing a scheduled reduction in potato acreage for Suffolk and Nassau Counties in 1947, representatives of Long Island potato growers will carry their protest to the United States Department of Agriculture at a conference in New York City Monday.

The growers' committee will meet with officials of the Federal bureau at 11 a.m. The meeting was arranged by Robert J. Howard, director of the State Marketing and Production Administration, Department of Agriculture.

The Long Island growers have been notified by the department that they must reduce acreage 23 percent next year or be ineligible for the Government price support program. This cut is held to be inequitable in relation to the acreage curtailment fixed for most of the other potato sections in the nation.

The Long Island farmers declare that they will petition the House Agricultural Committee for an investigation of acreage allotments if they do not receive "fairer" treatment."

- - - -

U.S. URGED TO LEAD ENDING OF CARTELS-Cartels and inter-governmental commodity agreements were branded over the week-end by the National Association of Manufacturers as instruments of "monopolistic exploitation" of the consumer for the "sole benefit" of the producer. The association urged the United States to take the lead in promoting voluntary agreements with other nations to prevent the formation or operation of cartels and the abrogation of those already established.

In a sixty-one-page pamphlet issued by its committee on international economic relations, the association revealed that between 1929 and 1937, depression years all over the world, 42.3 percent of the world's trade was controlled by cartels and other combines. Another 11.4 percent was controlled by trusts not allied with cartels and attempts were made to cartelize a further 6.2 percent.

Under the free enterprise system the consumer is the deciding factor in determining price levels, the analysis pointed out in condemning cartels on the grounds that when they operate the consumer is denied the opportunity to fix prices by his refusal to buy unless costs are at a suitable level.

- - - -

CASH CORN SALES INCREASE-Chicago-Farmers are showing somewhat more disposition to sell cash corn with purchases for deferred shipment last week aggregating around 1,000,000 bushels. The grain sold readily, although at somewhat lower prices compared with January. Around 5 cents a bushel over January was paid early, basis No. 2 yellow, but purchases were made yesterday at 2 to 2½ cents over the future.

(Turn to page 2 for other items
in today's N.Y. Times.)

- - - -

Farm Digest 2535-46

From New York Times, Nov. 25 -

WHEAT PRICES MOVE TO 26-YEAR PEAKS-Chicago-Cash wheat and wheat futures sold last week at a new twenty-six-year high price on the Board of Trade, and corn and oats were the highest in about a month as the result of fairly general buying headed by cash interests and shorts.

Exporters confirmed fairly liberal sales of wheat flour as well as of corn and oats, made for shipment abroad, and the removal of hedges against this business was a factor in helping along the advance. The possibility of a delay in the movement of grain from the country incident to a strike of coal miners also was a factor.

Cash wheat was quoted up to \$2.27 a bushel here late last week and some high protein grain at Minneapolis sold at \$2.43.

- - - -

GRAIN TRADING IN CHICAGO-Chicago-Operations in grain futures were fairly active last week on the Board of Trade, sales aggregating 131,534,000 bushels, or a daily average of about 22,000,000. The latter compared with 24,800,000 bushels the week before and 22,800,000 a year ago. Operations in corn decreased but there was a heavier trade in oats.

- - - -

FLUCTUATION WIDE IN COTTON TRADING-Prices of cotton for future delivery fluctuated irregularly last week although toward the close of the period they showed a firmer tone. At the end of trading on Saturday, active contracts on the New York Cotton Exchange showed net changes ranging from a decline of 98 points in this season's deliveries to an advance of 35 points in next season's deliveries.

Early firmness of the market reflected mill buying in the nearer positions and scattered demand, influenced by a larger-than-expected official report on October consumption, and reports that textile sales were being booked up to May at ceiling prices. Also influencing sentiment was the injunction designed to stop the coal miners' strike.

Other factors were proposed changes in margin and credit requirements for cotton futures trading, predictions of a possible recession in the national economy, and weakness in outside markets.

- - - -

CHOICE FOODS BACK ON HOLIDAY MENUS-The restaurateurs of New York, preparing for an unusually heavy Thanksgiving business, are gracing their holiday menus with viands that were absent during the greater part of the war years, a check-up showed yesterday.

Prime rib of beef, steaks, ham and lamb chops are among the dishes that will compete with the traditional turkey and other poultry for favor in the better restaurants and hotel dining rooms.

Most eating places are featuring turkey and goose and offering as alternatives the meats that did not even appear on menus the last few Thanksgivings. Prices will average 10 to 20 percent higher than last year.

- - - -

WORLD SUPPLIES OF WHEAT DECLINE - Write off Australia as a major factor in the world wheat export market during 1947.

Moreover, despite fairly optimistic preliminary estimates of the probable Argentine cutturn, it is anticipated that much will be of poor quality, possibly unfit for milling, and with substantial quantities already committed for 1947 via trade agreements the volume of offerings in the world market may prove very limited.

As a result, look for more urgent demands upon North American supplies from importing countries, at least during the first half of the year or until home-grown crops start to move in deficiency areas.

Estimates of the Australian crop which is now being harvested have been progressively lowered to a point where the "unsold" surplus may not exceed 12,000,000 bushels and may be reduced to the vanishing point by the time all harvest returns are tabulated.

- - -

NAM SEES HUGE PURCHASING POWER POTENTIAL - The American people have considerably more "spendable money" and potential purchasing power than the recent Government survey of liquid assets in the hands of the public indicated, according to an analysis of the survey issued over the week-end by the National Association of Manufacturers.

The Government survey, made by the Bureau of Agricultural Economics for the Federal Reserve Board, indicated the total of "personal liquid assets" amounts to \$81 billion. The National Association of Manufacturers experts believe this is far below the true figure, which may be more than double this amount when all forms of liquid assets are considered.

The "good theoretical work" of the survey, National Association of Manufacturers' analysts found, was offset by failure to take into account some important types of assets which represent huge holdings. For instance, Government interviewers compiled careful listings of the amount of money in savings and checking accounts of individuals, but did not take into account their holdings of actual currency, although money in circulation stands at a near record peak. Other major omissions were the amount invested in corporate securities, insurance, etc.

- - -

Today's Food Bulletin-NEWS HIGHLIGHTS. . . . MARKET TRENDS-record Packs, Shipments - Shipments of canned foods set a new record of 51,500,000 cases during September, Bureau of the Census reports. Cumulative shipment totals for nine months were almost equal to entire marketing year of 1941-42. Production rate continues high, enabling canners, wholesalers to stockpile.

- - -

ROASTED COFFEE UP- Upward adjustments in coffee prices by roasters who did not take part in the recent advances of 1¢ to 5¢ a pound are announced. A&P's prices on all blends will be lifted 5¢ a pound. Other roasters raise their prices 2 3/4¢ to 3 1/4¢.

- - -

BEET SHIPMENTS END - The proposal of the Production & Marketing Administration, USDA, to establish a sugar industry advisory committee is off, trade sources report. CCC has announced that at the close of business tonight the subsidized movement of beet sugar to eastern deficit areas will end.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

CANNED FOODS - Broad demand for crushed pineapple in No. 10 cans develops, with buyers willing to take either Cuban or Hawaiian. Most of the production is reported to have gone into consumer sizes. . . Demand for peaches also is broad.

- - -

OTHER MARKETS - Little inquiry for live fowl, broilers . . . Market for dressed turkeys extremely irregular . . . Lettuce up sharply . . . Further weakening in apple values . . . Export inquiries for flour heavy, offerings shrinking. . . Chicago hog prices off 50¢ to \$1 for week . . . New crop cashews offered to arrive . . . Demand for prunes increases, hardening prices.

- - -

THE DAIRY CUTLOOK-Editorial - The dairy industry has been greatly affected during the past few years by increased consumption of fluid milk, larger output of manufactured products with favorable price ceilings and heavy exports. The outlook for the industry next year will be largely determined by changes in these three factors.

Consumption of fluid milk and cream will remain at a high level so long as consumer purchasing power is sustained. If a business recession should occur during the last half of 1947, as many fear, some decline in fluid milk consumption would follow. In that event, more milk would be turned into manufactured dairy products, output of which would then be expanded with a depressing effect upon prices.

Exports of dairy products will decline as production is restored abroad and other countries become less dependent on food shipments from the United States. The Department of Agriculture predicts that dairy exports from this country next year will be the smallest since 1941.

- - -

COLD POTATOES (FREEZING ON FARMS) WILL COST U.S. TAXPAYERS PLENTY-Washington - Millions of bushels of potatoes are going to freeze to death this winter.

And for nearly every bushel lost, the U. S. taxpayer will foot the bill. The Government has, in effect, written a life insurance policy on each of the spuds.

Government loans were granted potato growers on their crop in an effort to keep the price of this year's bumper production from sinking below the promised "support" level, equal to 90% of the "parity" price.

Piles of potatoes as high as a house, exposed to the northern winter, are the collateral the Government has on its loans. . . .

A conservative guess -- some run much higher -- is that the Government will find itself holding a lien on about 50 million bushels in all states. Because of the shortage of storage space, the loans are made on spuds in pits, barns or any place else the farmer can pile them. Nearly all will be rotten when the loans come due next April.

- - -

MAKERS CAUGHT BETWEEN MOUNTING HIDE PRICES AND BALKING BUYERS-Boston - New England shoe manufacturers are closing a record production year with some profit-pinching pebbles 'twixt their toes.

Yankee shoemakers have been hurt by higher hide prices since O.P.A. decontrolled them, and by recent hikes in everything from tacks to wage scales. When the footwear firms have tried to ease this pinch by increasing their own prices by as much as 20%, they've been hampered by consumer resistance -- emphatically demonstrated in the retail stores.

- - -

From St. Paul Pioneer Press, Nov. 20 -

THYE HITS BACK AT PROPOSAL TO STRANGLE REA by Alfred D. Stedman --
Sen.-Elect Thye cracked back hard Tuesday night at a move attributed to eastern conservatives in Congress to scuttle the Rural Electrification program. The Minnesota governor declared that no single program is so vital to the development of Midwest agriculture, to the production of abundant food for city people and to continuance of farm demand for city-made electrical implements. Thye asserted his determination to fight in the U. S. Senate against every move from any direction to abolish or undermine the program.

The conservatives' move to scuttle the Rural Electrification came to light in Washington through a remark dropped by Republican Representative John Taber of New York.

Taber gave the tip-off what is going on in ultra-conservative circles in Congress by telling a press conference that he could see no reason for continuing the Rural Electrification administration which directs the work. While Midwest Republicans have been prepared for changes in the form of the administration, they are strong for continuance of the program and of an administration of some kind to run it.

- - - -

NEW CORN LOANS TO SPUR HOG RAISING-Big money in hogs, a jump in production of pigs next spring and plenty of pork meats for consumers at moderating prices next fall were foreseen Tuesday night by market observers following the U. S. government's announcement of new corn loan rates for the Midwest.

A quirk in the law and a fleeting, one-month drop in parity prices have knocked several cents a bushel off the new corn loan figure for farmers throughout the Corn Belt, it was revealed. The new loan rate will be \$1.06 to \$1.10 in Minnesota, instead of expected rates between \$1.10 and \$1.14 a bushel.

But the lowering of the corn rate and the high prices of hogs, have combined to create a ratio between corn and hog prices that points to the biggest profit margin from feeding hogs in history, observers said.

That profit margin and the plentiful supplies of corn, they predicted, will stimulate farmers to go way beyond the U.S. government's national goal of 58 million pigs for spring production. Farmers are likely to double the 11 per cent increase over 1946 production that is called for by the government, some said.

- - - -

From Davenport Democrat and Leader, Nov. 20 -

IOWA SENATOR SET WITH TWO IDEAS FOR LAWS, Washington, - Senator George Wilson will hold an important place in the senate agriculture committee when the new congress meets in January, and he has two ideas ready to put into bill form. The first proposal would require the agriculture department to set up automatic procedure for diverting crop surpluses from ordinary trade channels into government-owned industrial plants.

His other proposal is that the REA be established as an independent government bureau, directed by a governing board of three or five members.

- - - -

From Christian Science Monitor, Nov. 20 -

HUNGER AS A WEAPON-Editorial-Hunger is a dangerous weapon to use in a world that aims at co-operation. A good part of the world is afraid that the United States plans to use that weapon when UNRRA comes to an end. What are the facts?

Despite an improved world food situation, millions of people will still be in desperate need of help through much of 1947. When UNRRA closes at the end of this year there will be no international organization to supply these people's minimum needs. The American State Department rejects international action, and holds that bilateral arrangements can be made between countries with deficits and countries with surpluses as the needs arise.

Some Americans are tired of helping people whose governments show an ungrateful tendency to bite the hand that feeds them. They prefer to pick and choose among the possible recipients of their charity. They refuse to fill the stockings of those who don't believe in Santa Claus.

Will it be a better and safer world in which to live if America refuses help to the starving people of Poland because their Government is too friendly to Moscow? This is to drive them into the very arms of Moscow. Hunger used as a political weapon is likely to prove a deadly boomerang.

- - - -

From Chicago Journal of Commerce, Nov. 21 -

U.S. PAYROLL CUTS URGED AS FARMERS' GOAL-A warning that the nation's soil resources have been depleted so that "a truly critical condition exists," and a demand for dismissal of thousands of employees from the United States Department of Agriculture were voiced before the Illinois Agricultural Association here yesterday.

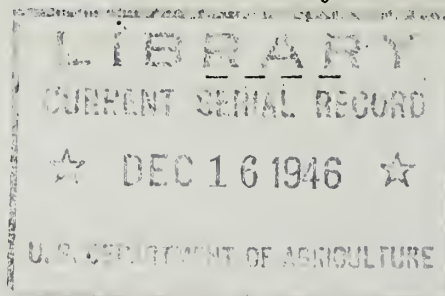
Earl C. Smith, Detroit, Ill., former president of the association, addressed some 2,000 farmers last evening in the Hotel Sherman, and declared that "untold thousands on the Department of Agriculture payroll are of no practical value to the people who own the land or who produce the food and fiber in this country."

- - - -

From St. Louis Post-Dispatch, Nov. 21 -

FARM PRICES NEAR PEAK, ECONOMIST SAYS, Kansas City, Mo.-Farm prices may have reached their peak in the current business cycle, Gordon Nance, professor of agricultural economics at the University of Missouri, told delegates to the twenty-eighth annual meeting of the Consumers Co-operative Association Tuesday. A drop in farm prices late this year, he said, might precede a general economic recession in 1947.

"Agriculture is the last of the major industries attempting to operate on competitive price basis in an economy of administered prices," Nance said. "I am less hopeful that it can continue to do so while keeping even its past standard of living than ever before in my lifetime."



Farm Digest 2535-46-6

☆ DEC 16 1946 ☆

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Nov. 26 -

U.S. ANTICIPATES SURPLUS THREAT-Washington-The United States placed before the Preparatory Commission of the World Food and Agriculture Organization today a proposal to establish at once an interim organization to facilitate action by member countries in anticipation of coming surpluses of agricultural commodities.

Leslie Wheeler, on behalf of the United States delegation, laid before the Commission's Committee on Price Stabilization and Commodity policy the suggestion that the commission recommend to the FAO and to Governments that there be established as soon as possible an Interim Coordinating Committee for International Commodity Agreements.

Mr. Wheeler urged that this committee be appointed by the Secretary-General of the United Nations and be composed of a member nominated by FAO to represent interests of primary agricultural commodities, a member to represent interests of primary nonagricultural commodities and, to serve, as chairman, the Executive Secretary of the Preparatory Commission for the establishment of an International Trade Organization.

- - - -

WARNS BUTTER INDUSTRY-Chicago-Butter users may turn to substitutes because of their lower cost when the shortages of fats and oils is relieved, the president of the American Butter Institute told members today.

D. K. Howe of Omaha estimated 1946 butter production at 1,100,000,000 pounds, compared with 1,804,000,000 in 1940. He added that, with the price high, people had become used to making a little butter go a long way.

He urged efforts by the institute to reduce the price of butter without cutting the nutritional value, efforts to increase production per cow and an intensified promotional campaign.

- - - -

COTTON RECOVERS AFTER WEAK START-After a weak start yesterday, the cotton Exchange strengthened in the afternoon, and final prices were 19 points higher to 28 points lower than Saturday's close, with the advance led by the March, 1947 delivery.

- - - -

CREAM 'IMPORTS' OPPOSED BY TRADE-A proposal by ice cream manufacturers that the Board of Health permit fresh cream from uninspected milk plants to the West to be sold in New York City was debated yesterday by spokesmen for the milk industry at a public meeting before Health Commissioner Isreal Weinstein. One or two speakers supported the proposal, but all others, including State Milk Marketing Administrator, opposed it, principally on the ground that there was a large surplus of frozen cream in storage in the New York milkshed. Decision was reserved "for a few days" but advisers to the Health Commissioner predicted privately that he would deny the request.

(Turn to page 2 for other items
in today's N.Y. Times.)

- - - -

Farm Digest 2545-46

From New York Times, Nov. 26 --

GRAIN PRICES FIRM AFTER MARKET DIP-Chicago-Grain markets made a firm finish today on the Board of Trade after an early decline, with feed grains rallying sharply in the late trading, owing to short covering and some support from cash interests. Wheat was off $2\frac{1}{2}$ cents a bushel at one time with early January loading and the close was $1\frac{1}{8}$ to $1\frac{3}{4}$ cents lower than Saturday's final levels. Corn, after breaking $1\frac{1}{2}$ cents, rallied and finished $1\frac{1}{8}$ cent lower to $5\frac{1}{8}$ cent higher. Oats gained $\frac{1}{2}$ to $3\frac{1}{4}$ cent and the strength in that grain helped the rally in corn. Barley was $1\frac{3}{4}$ to 2 cents higher, an advance of 12 cents in the Canadian export tax late last week being a factor.

Kansas City wheat futures finished $1\frac{1}{8}$ to $1\frac{1}{8}$ cents lower and Minneapolis was $3\frac{1}{8}$ to $\frac{1}{2}$ cent lower. Winnipeg rye futures gained $2\frac{1}{4}$ to $2\frac{1}{2}$ cents.

-- -- --

POTATO CUT IS LAID TO HEAVY SUPPORT-The Federal Government has planned a proportionately heavy cut in Long Island's potato acreage for next year because it had to buy more surplus potatoes this year in Nassau and Suffolk Counties than in other areas, it was said yesterday.

Robert J. Howard, State marketing and production director of the United States Department of Agriculture, made this explanation to fifty Long Island farmers and officials of farm organizations who came to New York City to protest alleged discrimination against their counties in the 1947 potato acreage reduction program. They met with Mr. Howard and other Federal officials.

-- -- --

COAL STRIKE HERE HITS BRITISH FOOD-London-Food Minister John Strachey told the House of Commons today that the soft-coal strike in the United States "has added a further and more serious complication" to the difficult British food problem and that there was "no possibility" of abolishing bread rationing.

He made no reply to a proposal by a labor member, Raymond Blackburn, that the Government use the British Broadcasting Corporation and publish leaflets "to inform the housewives immediately that the world food situation is the result of the industrial chaos in the unplanned country of America."

-- -- --

BREEDERS TAILOR TURKEYS TO FIT OVEN-New Brunswick-To meet the needs of harried housewives on future Thanksgiving Days, the New Jersey College of Agriculture is developing a small streamlined and neat bird for the family of two or three.

The bird, which the college says will be marketed in large numbers by 1948, is designed to give more meat per pound than any other variety and to fit into a normal size roasting pan and oven.

-- -- --

From the New York Journal of Commerce, November 26.-

HIGHER RANGE SET BY HIDE FUTURES - Trading in hides futures continued at low levels yesterday in the absence of what traders termed "a stable market for hides in both the spot and futures markets."

At closing, prices were 4 points lower to 30 points higher than the previous closing range.

- - -

STRIKE WILL FORCE TOBACCO 'HOLIDAY'-Lexington, Ky.,(AP) - A sales holiday will be called on all burley tobacco markets within "a few days" after auctions open unless additional coal is allocated to redrying plants, tobacco men were told here today.

Growers, warehousemen, manufacturers and others met at Lexington today to survey the coal situation. After the meeting, they issued a statement urging farmers not to deliver additional leaf to markets until the coal shortage is relieved.

- - -

EXPORT ALLOTMENTS CUT SUGAR SUPPLY - One of several of the refiners in the New York area have new commitments to make shipments against third or fourth quarter allotments to Europe, which some observers believe will result in extending the period of the current tight position prevailing in the East.

In other sections of the country where ration evidence is nearing the exhaustion point, distribution is reported to be running low.

With a holiday this week the distribution problem in the East may be further aggravated. Some of the refiners have found that when a holiday comes near the end of the normal work week production schedules decline because of absentees who extend the holiday period to include the week-end. Some refiners in the past have found it more profitable to close the plant for the period.

- - -

SUGAR RATIONING SERVICE REVISED -Washington - A revision of the method of handlings of sugar rations that is intended to facilitate issuances to all types of users was announced today by OPA.

By Dec. 9, 1946, all sugar ration evidence, including consumer ration books will be issued by regional issuance units instead of by sugar branch office (former OPA district offices). However, with the exception of three types of consumer applications, all applications for sugar will continue to be received and decided upon by sugar branch offices. All questions on applications for sugar issuances will, with the exception of the three consumer applications, also continue to be handled by the sugar branch offices.

- - -

CANNED FOOD CALL SHARPLY REDUCED - Seasonal quietness, coupled with a growing buyers' resistance movement, threats of another food truckers' strike to cover some New York boroughs, liberal resale offers from out-of-town to this market, and the impression in many quarters that a number of canned food items were headed for lower price levels brought about an almost complete stoppage of trading in the canned food markets yesterday.

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce.)

Farm Digest 2545-46-3

From the New York Journal of Commerce, November 26 (Cont.) -

FLOUR OFFERS SMALL AND FIRMLY HELD - The flour market was quieter yesterday with prices firmly held and mill offerings on a limited scale and only for deferred shipment.

- - -

VISIBLE WHEAT SUPPLY OFF CORN RISES 3,353,000 BU.-Chicago,(AP) - Visible supply of wheat decreased 2,883,000 bushels to 69,678,000 bushels this week, the Chicago Board of Trade reported today.

Corn increased 3,353,000 to 10,932,000 bushels, oats decreased 1,872,000 to 14,080,000 rye increased 154,000 to 1,678,000 and barley decreased 55,000 to 21,636,000.

- - -

ELIMINATION SOUGHT TO EXPORT SET-ASIDE ON COTTON GOODS - Textiles for the export market continue to be sought in large volume but buyers are exercising great caution in most instances by not bidding up prices to any considerable extent over former OPA ceilings despite the large demand for goods that exists in the foreign market. . . .

The attitude of exporters on the question of set-asides of cotton goods for holders of individual licenses always has been that distribution control of this character should remain in force only so long as goods are allocated to other domestic users.

News from Washington last week that all such controls under H-317A, except the export set-aside, will be dropped caused exporters to express the opinion that no exception should be made in their case. If distribution set-asides are to be revoked they wish to be in the position to pick and choose goods from the market the same as other buyers.

- - -

From the New York Wall Street Journal, November 26 -

FUTURES MARKETS point unanimously to lower prices next year.

A commodity "future" contract is a promise to deliver so many bushels, pounds, or bales of a commodity at a distant date. Generally prices of distant deliveries are higher than "nearby" quotations. But now the opposite is true.

Wheat for delivery in January costs about \$2.15 a bushel. But sellers will contract now to furnish it 35 cents cheaper next July. Cotton brings 31 cents a pound in New York today; you can buy it for delivery a year hence at about 25 cents. The futures markets say both cocoa and coffee will be some two cents a pound cheaper by next fall. A drop of roughly six cents a pound is indicated for cottonseed oil.

- - -

HIGH BUTTER PRICES bless margarine makers. With butter around a dollar a pound, margarine goes to a housewife for about 45 cents a pound. Pre-war production of the vegetable oil product averaged around 350 million pounds yearly. It may hit 550 million pounds this year. And manufacturers say they could sell two to three times that much.

- - -

From New York Times, Nov. 24 -

REPORT FROM THE NATION - New England - Use of Waste Fish Looming As a Major Industry, Boston, - The extensive industry in fish by-products developed in New England within recent years may become one of the region's major businesses under the impetus of research into the problem of waste fish.

The fish by-product industry of Maine and Massachusetts now takes almost all the residue of fileting plants to convert the former waste into oils and poultry meal. Some is also processed into fish cakes and other canned foods.

To help develop the possibilities of the waste fish industry and provide employment for many hundreds of workers as well as to explore other phases of the fish industry, the Federal Fish and Wildlife Service is setting up a laboratory in Boston. It will be one of five to help solve the commercial fishery problems in the country.

- - - - -

Midwest States - Farm Cooperatives Facing New Battle to Tax Them, Omaha - Farmer cooperative associations, which hold rank as major business in many sections of the Midwest, face a strenuous fight aimed at crippling their economic importance.

The cooperatives, accustomed to struggling for existence, are ready for the legislative battle that is already under way on both national and State levels. There are indications that the fight will increase in intensity and bitterness.

An organization calling itself the National Tax Equality Association is demanding that Congress cancel whatever income tax exemptions the cooperatives possess. Groups within the individual States are equally determined that the cooperatives will be deprived of State tax advantages. The box-car shortage continues to plague grain shippers and others, with a backlog of more than 4,900 carloads of grain awaiting shipment out of Kansas City.

- - - - -

From Kansas City Times, Nov. 22 -

PRICE DROP SEEN-Washington-Eighteen members of the agricultural committee of the United States Chamber of Commerce, in an informal poll yesterday agreed unanimously that prices generally would be lower nine months from now. They believed strongly that farm products would decline, possibly leading the way for other commodities.

George Davis, Kansas City grain dealer and extensive farm operator, a member of the committee, said today he found much sentiment among the business leaders here attending group meetings of the United States Chamber of Commerce that a price recession was due next year.

The opinion was found prevalent that the new Republican Congress would sharply curtail foreign relief, and that foreign nations, when required to pay cash for their foodstuffs, would turn more to Canada, the Argentine and Australia.

- - - - -

From Atlanta Constitution, Nov. 20 -

HUGE FINE SOUGHT FOR FARM MARKETS-The Georgia Legislature will be asked to add \$1,000,000 appropriation annually for expansion of State farm markets when it meets here in January.

Agricultural Commissioner Tom Linder said yesterday he would recommend such a program of market development to help accommodate Georgia's diversified farm crops.

- - - - -

From New Orleans Times-Picayune, Nov. 20 -

EXCHANGE DISAGREES ON COTTON PROPOSAL-The New Orleans Cotton Exchange disagrees pointedly with the New York exchange in at least one important particular in the matter of marketing the South's cotton crop.

The conflict has to do with extension of credit to Southern cotton producers, merchants, mills and all who deal in actual cotton and who seek the protection of a "hedge" in the cotton futures market.

The New Orleans cotton men want to continue to extend credit to the cotton industry, while the New York interests seek to shut off credit to holders of actual cotton.

It is claimed by cotton men here that if owners of cotton are required to keep full margins on protecting future sales, the entire long-time method of handling cotton in the South will be thrown out of gear.

The direct disagreement came to the surface Tuesday following the surprise release by the New York Cotton Exchange of its plans for "stabilizing" the cotton future markets.

- - - -

From Memphis Commercial Appeal, Nov. 16 -

LOTS MORE FOOD POSSIBLE - Chicago -More of everything to eat and foods richer in proteins, vitamins and minerals are ahead for Americans in the foreseeable future.

The 30 per cent rise in food production during the war years and after has every prospect of continuing.

Higher yields per acre, scientists have discovered, are accompanied by foods and feeds richer in nutrients.

An omen of what is to come is the 57-bushels-an-acre average corn yield in Illinois for 1946-an all-time record which is just double the 28 to 29 bushel average recorded in 1866, when yield data began.

Professor Roger H. Bray, University of Illinois soil chemist who developed the new tests and methods of estimating yield increases, believes that at least 50 per cent of our food crops are grown on soils lacking in one or more of the essential minerals.

Dr. Fred C. Bauer, soils extension expert, says that Illinois is using approximately half the agricultural limestone being spread in the United States, yet 50 per cent of the state's crop land needing calcium has had none or inadequate amounts.

Illinois soils alone, estimated show, need 12,000,000 tons of ground rock phosphate. The current rate of use is less than 250,000 tons a year.

"It shouldn't be difficult," said Bauer, "to get average yields of 100 bushels an acre of corn on the darker soils of the Middle West."

- - - -

From Los Angeles Times, Nov. 15 -

THERE IS NO FOOD MONOPOLY HERE-Editorial-Andrei A. Gromyko, Soviet representative, charges before a committee of the United Nations Assembly that "monopolies" and "middlemen" in the capitalistic countries are to blame for high world food prices and demands a four-point program which he says would alleviate the situation. Mr. Gromyko has been reading Marx again and not the facts. Presumably, he is talking about the United States, but there is no "food monopoly" here nor anything resembling one.

- - - -

★ DEC 16 1946 ★

U.S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Nov. 27 -

LA GUARDIA SCORES U.S. FOOD AID PLAN-Lake Success-As a United Nations General Assembly drafting subcommittee grappled today with the question of how to solve the 1947 world food crisis, Firoello H. La Guardia, director general of the United Nations Relief and Rehabilitation Administration, lashed out at a United States proposal. He said it was one that would "irreparably injure" the prestige of the United States in the eyes of the world.

The three-point United States proposal follows the lines of a program presented to the Economic and Financial Committee on Nov. 14 by Adlai E. Stevenson, United States delegate. It calls for an analysis of information by Secretary General Trygve Lie; urges member nations to assist in furnishing relief and to speed up their programs, and invites contributing Governments to coordinate their programs by informal consultation.

The subcommittee also has before it a proposal by Mr. La Guardia to set up a \$400,000,000 emergency food fund and a Brazilian compromise proposal that would permit bilateral arrangements, but under the supervision of an international committee.

- - - -

BARS MILK SUBSIDY DURING DECONTROL-Washington-John R. Steelman, Stabilization Director, today denied a plea of Clinton P. Anderson, Secretary of Agriculture, that subsidies be paid to dairymen who held to milk and butterfat ceilings during the July recess on controls.

The contention of Mr. Steelman was that the government's promise had been to maintain 1946 returns to milk producers at the same levels as 1945. That goal had been accomplished without payment of the subsidy asked, he maintained.

Mr. Anderson's specific proposal had been that milk and butterfat producers who adhered to price ceilings during all or part of the July 1 to 25 period when controls were off should get subsidies at maximum rates. These range from 65 cents to 95 cents per hundredweight of milk and 18 cents per pound of butterfat.

- - - -

DROPPING CHEESE PLANTS-Plymouth-"Practically all" of Borden Company's leases on individual cheese factories in Wisconsin were being canceled, C. A. Eckburg, vice president, announced today.

Notices of termination were sent out this week. At one time, Mr. Eckburg explained, Borden had control of 198 leases in the State, with fifty already canceled.

(Turn to page 2 for other items in today's N.Y. Times.)

- - - -

From New York Times, Nov. 27 -

CHECKS TURPENTINE RISE-Savannah, Ga.-A drop of \$4 a barrel in the price of turpentine here in the past two market sessions were blamed by Harley Langdale, president of the American Turpentine Farmers Association today, on "buyers' resistance, which is a reaction to the rapid rise in price since removal of ceilings."

Mr. Langdale said at Valdosta that a price jump from \$1.05 to \$1.50 a gallon in twelve days was "too rapid," and that he believed the price would "soon level off for the remainder of this year" as "the turpentine season is fast coming to a close."

- - - -

COTTON FUTURES UP WITH HEAVY SALES-Again led by the strength in near months yesterday, cotton futures on the New York Cotton Exchange advanced 7 to 26 points.

The strength was due to price fixing on heavy sales of goods for forward delivery, and to the belief that the coal strike would be settled this week.

- - - -

PRICES OF GRAINS RALLY LATE IN DAY-Chicago-Short covering came into the grain markets in the late trading on the Board of Trade today and prices rallied sharply with oats in the lead. Closing trades on oats were at gains of 5/8 to 7/8 cent, that grain showing independent strength. Wheat was 1 1/2 cents higher to 3/4 cent lower and corn 7/8 cent lower to 1/8 cent higher. Barley finished unchanged to 1/4 cent lower.

Winnipeg rye futures closed 10 cents higher, the daily limit, in sympathy with strength in American cash markets. Cash rye at Minneapolis was 5 to 10 cents higher at \$2.95 to \$3, about the highest price on record. A few cars sold early last May at more than \$3 a bushel, but were not considered in determining the closing official price.

- - - -

DISEASE MENACING EUROPE'S CHILDREN-Many "invisible war wounds" suffered by the children of Czechoslovakia are still far from healed, Vlasta Vraz, overseas field representative of American Relief for Czechoslovakia, declared here yesterday.

"In some regions of Silesia," Miss Vraz said, "60 percent of all the children have been found to have some form of active tuberculosis."

"Chronic malnutrition," Miss Vraz said, "has caused such changes in the growth of children that the doctors don't really know yet what they are faced with."

"Supplementary milk and egg allowances have brought steady improvement to some of these children. But it has been found that as soon as the extras are eliminated from a child's diet his physical condition quickly worsens again."

- - - -

US. TO SPEED WATER SHIPMENT OF FREIGHT HIT BY COAL CRISIS - A broad program to speed coastal water shipments of freight threatened by the rail-coal crisis was announced by the Maritime Commission yesterday but it found intercoastal shipping lines in a state of confusion both as to what was expected of them and when.

The commission announced from Washington that it is adding nine extra sailings eastbound and two extra sailings westbound in its intercoastal service and will place more ships in service between North Atlantic, Florida and Gulf Coast ports, if needed. The purpose of these extra sailings, it was said, is to carry some of the extra traffic the railroads may be unable to handle if a prolongation of the coal strike forces them to curtail their services.

- - -

CPA ENDS CONTROL OF TIN PLATE SCRAP -Washington,(AP) - The Civilian Production Administration announced today that all controls over the disposition of tin plate scrap, including tin cans, have been removed.

The rules had required that tin plate scrap be sent to detinning plants to recover the tin. CPA said the order was removed because recovery operations have dropped to negligible amounts in recent months.

- - -

SEE FURTHER EASING IN GRAIN CURBS -Washington,(AP) - An order permitting distillers to use an unlimited quantity of low grade corn for making beverage spirits is awaiting Secretary of Agriculture Anderson's signature, it was learned today. . .

The proposed new order would continue present prohibitions on the use of wheat and limitations on the use of rye and other grains, based on the continued world shortage of food grains.

With much of this year's record corn crop harvested, supplies of this grain appear ample for all demands.

Officials, who asked that they not be directly quoted, said that Anderson is also considering lifting restrictions on the domestic distribution of wheat flour.

- - -

LIVING COSTS RISE 1.7 P. C. FOR MONTH,Washington - Retail prices of living essentials used by moderate-income city families advanced 1.7 per cent between mid-September and mid-October, the Department of Labor revealed yesterday. Food prices went up 3.4 per cent; prices of consumers' goods and services other than food and rent rose .6 per cent. Rents were not surveyed in October.

The consumers' price index prepared by the Bureau of Labor Statistics of the Department of Labor was 148.4 per cent of the 1935-39 average on Oct. 15, 1946, and 15.1 per cent higher than a year ago.

- - -

TWO SUGAR STAMPS MAY BE EXTENDED - CPA is reported to be considering extension of sugar stamps Nos. 9 and 10 until the year-end.

If not extended they will be invalid at the end of the month. Sugar trade sources are of the opinion that the stamps will be extended, that an extension to give consumers in the East the opportunity to use them is justified.

It will come as a pleasant surprise to domestic sugar interests to learn the extent of some of the advances in European sugar production. Cables received yesterday reported that England's home production will be the largest on record while France and Belgium will be sharply higher.

(Turn to page 4 for other items from - - - today's N. Y. Journal of Commerce.)

ALL JOB FINISHERS REPORTED ADJUSTING COTTON PRICES UPWARDS - Price schedules of nearly every job finisher in the country were being adjusted upward as November drew to a close, with the distinct probability that further increases will be made later on, a survey by The Journal of Commerce discloses.

At present, most job finishers of cotton fabrics were confining their price changes to types of finishing and cloth where they had been too tightly squeezed by former OPA ceilings. In these adjustments, prices were being increased by an average of about 10 to 20 per cent. These alterations were confined to only certain parts of each finishers' work schedule, with most prices remaining unchanged for the present, it was emphasized.

- - -

HOG MARKET - Chicago hog prices closed 25 to 50¢ lower with a top for the day of \$24.75. The salable supply amounted to 14,000 head while 9,000 went direct to packers.

Western markets received 97,600 head compared with 119,100 a year ago, making a two day total of 209,700 head which contrasted with 227,500 during the same period last week and 255,500 a year ago.

- - -

FLOUR - Prices for rye flour advance sharply following rapid boost in cash rye values, but wheat flour prices are largely unchanged. Further export inquiries are reported for the latter, but offerings are very small.

- - -

MARKETS - Sharp rise in live turkey prices. . . Market firm and higher for dressed tom turkeys . . . Good quality tomatoes steady, others weaker . . . Apples continue slow . . . Prices for butter off on holiday slump . . . Market for eggs unsettled . . . Demand for cheese selective . . . Black market rice sales reported at \$16 to \$16.50 per cwt. . . Offerings of West African cocoa awaited . . . Standard grades of dried peaches offered at season's lows.

- - -

From the Baltimore Sun, November 27 -

MORE ON THE GOVERNMENT'S HOT POTATO PROGRAM, Editorial - Up in Long Island the potato growers . . . are holding indignation meetings about the Federal Government's requirement that they reduce their potato acreage by 23 per cent next year.

The irony of this can best be appreciated against the background of the ghastly mess which the Department of Agriculture made of its potato-production plans for the present year.

The Government has a price-support program for potatoes. . . Last spring the potato growers were asked to put 2,780,000 acres into potatoes. The Department of Agriculture planners figured that this acreage would yield 378,000,000 bushels, which would be just about right. . . .

A total crop of approximately 478,000,000 bushels was produced. . . . The Government has been "lending" money on these surplus potatoes at a rate so fast that total figures on disbursement aren't even available. The "collateral" -- which is to say, the potatoes -- lies in great hills in all the principal potato-growing districts, where they will simply rot away at the taxpayers' expense.

The Department of Agriculture is feeling rueful, these days, about this parody of agricultural planning. For next year, it wants to reduce potato acreage drastically.

- - -

From Memphis Commercial Appeal, Nov. 24 -

PRIVATE EXPORT PLAN TO SUPPLY COTTON TO GERMANY AND JAPAN - It appears probable now that private interests will take over the exportation of cotton to Germany and Japan by early Spring.

Approval of the ranking military authorities in the American Zone in Germany has been given for the plan and it remains for the details to be worked out in America to make it effective.

Because of belated vacations, etc., the progress of the work in America has been slowed, but it is expected that within the month leaders in the State Department, the Army, the Reconstruction Finance Corporation, the Export-Import Bank, the Commodity Credit Corporation and others interested will be available for discussion. Success of the program seems assured at this time, unless some unforeseen development, such as international politics intervenes.

The proposed plan is similar to that now existing. Cotton shippers plan to organize a shipping corporation. In addition to their paid-in capital, they hope to be aided in the financing by either the RFC or the Export-Import Bank.

At the same time the cotton textile merchants of New York, who specialize in exports, would organize a sales corporation. The shippers' organization would supply the cotton, just as the CCC does today. The merchants would receive the manufactured goods from the Germans or Japanese and sell the textiles in foreign markets where there is at present a short supply.

- - - - -

From Atlanta Journal, Nov. 20 -

SENSIBLE REFORM-Editorial-Clint Anderson, the Secretary of Agriculture, has learned after investigation what he and everybody else with the gumption of a goose knew all along--that it was the collapse of a speculative boom which broke the price of cotton from 38.45 cents a pound on October 15 to 30.14 cents a pound on October 31.

It was the collapse of the speculative movement which brought about the precipitate decline, but also it was the speculative movement which had put the price up to its dizzy height before the skyrocket ran out of propulsive power.

The New York Cotton exchange through its managers has given thought to reforms which should be made in the futures trading. They are a little bit tardy, but perhaps there is some merit in the philosophy of being better-late-than-never. The managers say margin requirements should be upped, in order to discourage irresponsible dabbling in the market by the pikers and suckers and limit the plunging by the big shot gamblers.

Curiously enough, they now propose margin requirements which are almost identical with those demanded last February by Chester A. Bowles when as Director of Stabilization he sought to curb the unbridled speculation which was getting under way.

- - - - -

From St. Paul Pioneer Press, Nov. 20 -

THYE OPENS FIRE ON MOVE TO SCUTTLE REA-Sen-elect Thye cracked back hard Tuesday at a move attributed to eastern conservatives in Congress to scuttle the rural electrification program.

The Minnesota governor declared that no single program is so vital to the development of Midwest agriculture, to the production of abundant food for city people and to continuance of farm demand for city-made electrical implements. Thye asserted his determination to fight in the U. S. Senate against every move from any direction to abolish or undermine the program.

The senator-elect's prompt and outspoken defense of the rural electrification program, coming as Midwest farm leaders and farm organizations demanded continuance of that program, was interpreted by friends as signifying that Thye will press a fight for a position on the powerful Senate agriculture committee where he would be strategically placed to uphold rural electrification.

- - - -

From Dallas News, Nov. 21 -

RAMIE FIBER-Editorial-Ramie fiber, as a challenging new crop for much of the South, including Texas, suddenly emerges full-fledged from the mists of speculation and wishful thinking as a practical new raw material which will grow on millions of acres of abandoned cotton land. Ramie has been described as a miracle fiber by enthusiastic supporters. Careful appraisal of its many uses, because of superior strength, whiteness and luster, leaves no doubt, however, of its potential application to thousands of purposes for which more or less inferior fibers have been substituted.

Emergence of Florida, which has never been a major cotton state, as the No. 1 ramie state should wake up Texas and such other important cotton states as will either suffer most heavily or benefit most largely from ramie's competition.

- - - -

From Huntsville Times, Nov. 19 -

SECOND NEGRO IN COUNTY PAYS ALL OF FARM LOAN-John L. Pulley, of the Toney community, has become the second Negro FHA borrower in the county to pay out his loan completely, the local FHA office announced today.

He purchased his 70-acre farm in 1938 with 40 years to pay for it. After paying off his loan at the local office, he stated that he had expected it to take him at least 20 years to pay for the farm, but that good cotton prices for the past few years had made faster payment possible.

In 1938, the farm land would only produce about 200 pounds of lint cotton per acre but, due to good soil practices, it now produces approximately 400 pounds of lint per acre. Other improvements have been made.

- - - -

From Charlotte Observer, Nov. 21 -

CONFLICTING PLANS-Editorial- When Sir John Boyd Orr first presented his plan for world-wide food controls under the direction of the Food and Agriculture organization of the United Nations, Will Clayton of the American State department objected that private enterprise could do the job better. Now, that American people are through with controls, it seems a very opportune time to ask them to accept world-wide controls very similar to those rejected in their domestic economy.

- - - -

DEC 16 1946
U.S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gane Harrison at 6031.)

From New York Times, Nov. 29 -

DISCOUNT INCREASE IN GRAIN FOR LIQUOR-Increased grain allocation for distillers will have little immediate effect on the liquor industry but may change the long range production pattern by increasing the supply of Broubon and cutting the output of rye whisky, industry sources declared yesterday. The allocation increase which the industry expects to be applicable to the December quota, will not mean an immediate increase in the supply of aged whiskies to the buying public, they warned.

Distillers expect the increased allocation to allow them to use more lower grade corn. They do not anticipate an increase in either wheat or rye allocations because of world demand for wheat and this year's relatively poor production of rye.

- - - -

BRITAIN PLANS RAYON RESEARCH-London-A Rayon Industry Research Association, "The most up-to-date and, in all probability, the largest rayon institute in the world," has been set up by the British Rayon Federation with British Government support and collaboration, A. J. C. Walters, director of the federation, said here today.

- - - -

EMPLOYMENT PUT AT RECORD LEVELS; PRICES CLIMBING-Washington-In its summary of business and financial conditions based on statistics for October and the first half of November, the Federal Reserve Board today took note of the effect upon production of the work stoppage in bituminous coal mines.

Factory output and employment were maintained at record peacetime levels in October, the board reported, and the pace continued into November up to the time work ceased in the coal mines. The board's production index covering factories and mines advanced to 182 in October from September's figure of 180, but the board's comment upon the coal strike situation indicated that there would be a rather sharp drop for November when the final figures are in.

- - - -

MOLASSES BILL ADVANCES; CUBAN HOUSE PASSES MEASURE DIVIDING BLACKSTRAP TARE Havana-The House of Representatives has approved a bill to give cane planters a participation in the revenue from blackstrap molasses produced by sugar mills.

The bill authorizes mills to retain the income received from molasses up to 4 cents a gallon f.o.b. tank cars in a Cuban port. Any increase in price would be divided 53 percent for the mill and 47 percent for the cane planter. The bill now goes to the Senate, and this is one of the most controversial questions before the sugar industry here.

- - - -

(Turn to page 2 for other items in today's N.Y. Times.)

From New York Times, Nov. 29 -

U.S. WILL CONTINUE ITS FOREIGN BUYING; SUGAR, MOLASSES INCLUDED IN PROGRAM-Washington-Civilian agencies of the Government will continue on a considerable scale several of the foreign buying programs on which they spent \$1,034,000,000 for food and materials during the last fiscal year.

The Commerce Department, reported this today said there would be large scale purchases of sugar, molasses, alcohol, rubber, tin, copra and fiber from foreign countries for some time to come.

A department compilation showed the largest foreign procurement programs will be:

SUGAR: Purchase of Cuba's entire crops in 1946 and 1947 by the Agriculture Department's Commodity Credit Corporation.

BLACKSTRAP MOLASSES: Purchase of 280,000,000 gallons through June 30, 1948.

FIBERS: Purchase of the entire exportable surpluses of abaca from the Philippines, sisal from Haiti and Portuguese East Africa, and henequen from Yucatan, besides purchase of cinchona bark and Russian manganese, chrome and lumber.

- - - -

BUTCHERS TALK WALKOUT-Philadelphia-Leon B. Schacter, president of the Joint Council of Amalgamated Meat Cutters and Butchers Workers of North America (AFL), said tonight that 2,500 butchers in chain grocery stores in Philadelphia, southern New Jersey, Delaware and the Eastern Shore of Maryland would walk out Dec. 31 unless demands for wage increases and improved working conditions were met.

The union is asking a 25 percent wage increase, reduction of the work week from 45 to 40 hours and a pension plan to be administered jointly by the companies and the union.

William Eden, vice president of American Stores, one of the chains involved, said negotiations with the union would continue until the Dec. 31 expiration date.

From Wall Street Journal, Nov. 29 - - - -

FOOD SUPPLIES OF MILLIONS WILL BE REDUCED DRASTICALLY IF COAL STRIKE CONTINUES-Washington-The movement of food by rail will come to a halt except for the relatively small quantity moved by oil burning and electric locomotives, if the coal strike continues and present supplies of fuel are exhausted.

Without coal, milling of wheat into flour, processing of animals into meat, refining sugar, in fact, manufacturing of nearly all food products will stop.

Without coal, hundreds of millions of pounds of meat, butter frozen foods stored in cold storage warehouses will spoil within a short time after the refrigerating machinery stops.

Without coal, millions of Americans will have difficulty getting food, or not get it at all.

- - - -

From the New York Journal of Commerce, November 29 -

U.S. COURT ORDER HELD THREAT TO SUGAR RATIONING PROGRAM - Washington - Threatening the overthrow of the entire industrial, institutional and provisional sugar rationing program, a restraining order issued in Federal District Court here has barred the Office of Price Administration from carrying out some of its rationing functions on the grounds that they are based on historical use.

Obtained by the Maple Leaf Dairy, Neenah, Wis., the restraining order, which was issued Nov. 26 by Justice T. Alan Goldsborough, prohibits OPA from issuing or enforcing sugar quotas for producers of sweetened condensed milk along the lines provided for in Amendment 24 to Third Revised Ration Order 3.

The restraining order is effective until Dec. 5, and the court has scheduled a hearing for Dec. 4 to consider the issuance of a temporary injunction.

- - -

FARM EQUIPMENT MARKET FIGHT DUE - Detroit - Intense competition within the next year is expected in the entire farm equipment field as a result of the recently announced split of the Ford-Ferguson Tractor Manufacturing combination and the avowed intention of both companies to continue in the farm tractor and equipment business.

The Ford-Ferguson combine moved at least to second place--and possibly the top spot--in production of tractors during the past year by being in a favorable position for steel supplied and by escaping the labor difficulties which have beset its competitors. With the Ford-Ferguson split, the industry is now faced with the possibility of having an additional major company vying for the lead in the tractor market.

- - -

HIDE PRICES DOWN IN BIG PACKER SALES - Hide prices turned downward in both the spot and future markets Wednesday as the big packers began to release stocks accumulated since the lapse of decontrols.

Light native cowhides, from current slaughter, went down as much as 2¢, averaging about 28¢ per pound.

The decline in futures ranged from 15 to 22 points at closing.

These sales--reported to exceed 40,000 hides--mark the first upsurge of trading activity in the hide market in several weeks.

- - -

FARM OUTPUT IN 1947 - Editorial - Farmers will doubtless plan for larger crops next year, both because of favorable prices prevailing and because some of the factors which have restricted output during the war are being corrected.

An important obstacle to increased agricultural production has been the farm labor shortage. More than a million veterans have returned to farms from the armed forces. While many of these came back in time to work on 1946 crops, they will be on hand from the start of the 1947 season. Thus far, relatively few war workers who came from farms have returned to agricultural pursuits, but any recession in manufacturing activity would speed this trend. The Department of Agriculture reports that the improvement in the average quality of farm workers due to the return of veterans is at least equal in significance to the rise in numbers.

The acreage planted to many crops may show material gains. With even fair weather, output could well be above 1946 levels in view of the larger farm labor supply and the increased use of machinery. Should these prospects be realized, prices of farm products should begin to reflect prospective larger supplies next spring.

- - -

From the New York Journal of Commerce (Cont.) -

STRIKE WILL CRIPPLE INSECTICIDE OUTPUT - A four-week coal strike will mean practically a complete shutdown in plants manufacturing insecticides, fungicides and other agricultural chemicals vital to next year's crop production, the Agricultural Insecticide and Fungicide Association reported yesterday.

Commenting on the acute tie-up, Lea S. Hitchner, executive secretary of the trade association said: "The 1946 demands have drained our stocks on hand to an all-time low. Our manufacturing season for 1947 is under way; time lost in rebuilding stockpiles cannot be made up. Many essential raw materials are derived from coal. Others require coal for processing and transportation. A 30-day tie-up will cripple production of plants in the East where the largest share of the industry is concentrated."

Chemicals for controlling insects and plant diseases protect a share of the nation's food and fiber crop totaling \$4,600,000,000, or a third of the total farm production, Hitchner pointed.

- - -

COTTON PRICES IRREGULAR IN SLOW SESSION - Preholiday weakness in spots depressed cotton futures in near positions while the distant 1947-48 crop months readjusted upward in a moderately active session on the New York Cotton Exchange on Wednesday. The final range was down 14 to up 21 points.

- - -

WEAKNESS IN CASH DOMINATES GRAINS - A sharp drop in cash grain prices at principal terminal markets brought in liquidation which carried wheat and corn futures as much as 2¢ below previous finals and closings for most deliveries were within small fractions of the day's lows.

Wheat was 1/4¢ to 2¢ lower; corn declined 1/8¢ to 1-5/8¢; oats were 1/8¢ to 1/2¢ down and barley unchanged.

Highlighting the precipitous decline in cash values was weakness in wheat at Minneapolis where regular grades lost 5¢ while higher protein grades registered losses of as much as 9¢ to 10¢ a bushel.

Traders attributed this action to a number of factors, including indications that mills may have covered their requirements for the time being, absence of CCC buying in that area for several weeks due to the substantial premiums which had prevailed compared with winter wheat, and possible liquidation by cash holders in advance of closing of lake navigation.

- - -

POULTRY BLACK MARKETERS HIT BY TREASURY AGENTS - Washington, (AP) -

Treasury agents have "Broken wide open a widespread tax evasion racket growing out of the poultry black market in the New York City area," Secretary Snyder reported here last night.

Snyder said the agents had cracked down already on some 1,200 Connecticut farmers and a number of shippers and processors, and that the number was growing daily, with many making complete disclosures and naming the persons they dealt with.

Collections of additional taxes and fraud penalties for failure to report over-ceiling payments for income taxes have reached \$350,000, Snyder said, adding it was expected the total recovery by the Government would go to \$3,000,000.

From Minneapolis Tribune, Nov. 23 -

PARLEY HEARS FARMERS UNION LEADER; ATTACK ON ANDERSON'S POLICIES EXPLAINED, Willmar,--Agriculture's only hope lies in full production and full consumption, not in return to production controls, James Patton, president of National Farmers Union, warned Friday.

That view, in part, has accounted for sharp opposition of the Farmers Union to policies of Secretary of Agriculture Clinton Anderson, Patton declared.

He spoke here at the fifth annual Minnesota Farmers Union convention.

Patton's main criticism of Anderson was the secretary's "talk of restriction and reduction," as opposed to the program advanced by the Farmers Union.

"Nevertheless, the FU always has favored the AAA in its far-elected committee theory in the view that responsibility for an agricultural policy should rest as much as possible with those who raise the crops," Patton said.

- - - -

From Sioux City Journal, Nov. 21 -

STILL MORE PRODUCTION-Editorial-Secretary Anderson of the department of agriculture is certain American farmers will find it impossible to produce too much foodstuffs to meet demands in 1947. The world still will need a lot more food than can be grown elsewhere, the secretary predicted in recommending the planting of 358,532,000 acres in grains, vegetables, sugar cane, beets and other crops next year. This is approximately a 3 per cent increase in acreage over the land which produced this year's record crop.

The cabinet member recognized a danger in suggesting such an expanded program and took occasion to warn against it. We need production to meet the domestic demand for foods, to feed war devastated areas not yet restored to crop growing, to start building up reserves of wheat, corn, cotton, rice and livestock feed grains. And we need to work toward a "sounder program of proper land use and soil conservation," the official said.

But sustained demand for wheat and other grains at high prices is likely to result in land which should be left in grass being returned to cultivation. That is what developed after the other war, setting up a situation which produced the dust bowl condition a few years later.

- - - -

From Nashville Tennessean, Nov. 21 -

THE WAY IS DOWN-Editorial-Members of the Tennessee Farm Bureau must be aware of the existing limits within which President Jo Frank Porter's proposal for farmers to follow the example of industry in restricting supply to demand can operate. The hope that those limits, now confined to the domestic market, could be extended to the world market has been rudely shattered by the state department's sudden reversal of the American stand on the FAO's proposed World Food Board.

This reversal has come at a time when the agriculture department has set farm goals for 1947 at three per cent higher than they were this year. With the retirement of UMERA from the field and nothing to take its place except the state department's program for bilateral agreements, the farmer is face to face with a downhill ride with prices. There is still the Steagall Amendment and the parity program to lend some support. But the farmer is still plainly aware of the trend.

- - - -

From Philadelphia Record, Nov. 25 -

~~AMERICA MUST CO-OPERATE IN SAVING THE STARVING~~ Editorial-If the United Nations are not united on a program to stop starvation in the world, how can we expect the United Nations to unite on a program to stop war?

For politics has entered the problem of supplying hungry people with food, just as it has entered into the problem of setting up a permanent peace.

And our own United States is partly to blame for the politics.

The State Department has announced that with the end of UMRRA it will send food abroad by "unilateral arrangement." That means, in words of one syllable, that American food will go only to those nations which play ball with us.

- - - - -

From Bellingham Herald, Nov. 17 -

~~'PLANNED' SUGAR SHORTAGE~~ Editorial-Some persons appear to have been surprised by the statement of Congressman Thomas A. Jenkins, of Ohio, that we have had a "government-planned sugar scarcity."

In demanding its termination, Congressman Jenkins, chairman of the congressional food study committee, declared the only reason for the sugar scarcity is that "those in control of our government planned it that way," partly through a "deliberate policy of exporting sugar."

The federal government has controlled every phase of the sugar business since Pearl Harbor. Because of heavy shipments to foreign nations, some of them behind the "iron curtain," Americans this year will receive only 73 pounds of refined sugar, compared with a prewar consumption of 98 pounds. Part of the government's program involves, not famine relief, but appeasement --at the expense of the American people.

The bureaucrats have made a mess of sugar; as of other items under their control. After five years, they still have control, but the people do not have sugar. It is time for action.

- - - - -

From Jackson Clarion-Ledger, Nov. 23,-

~~FARMERS PAYING THEIR DEBTS DESPITE SHORT COTTON CROP~~ Editorial-A welcome but not surprising report by Jesse B. Hearing, president of the Production Credit Corporation of New Orleans, reveals that Mississippi farmers, like those of Louisiana and Alabama, are meeting their debts promptly "despite bad cotton crops in many instances."

Most significant, he credits prompt payment of their debts by farmers to use of cash income from diversified sources, though the high prices for cotton early in the season doubtless helped many meet their obligations.

- - - - -

From Sacramento Bee, Nov. 18 -

~~FARM WAGE CHALLENGE~~ - Editorial --- The current discontinuance of all official controls over agricultural wage rates warrants equally close attention by farm owners and farm labor. The workers must have due consideration for the growers' ability to pay. Labor pirating will be no less offensive than in the last four years, during which reasonable ceiling rates have prevailed. Proof of their worth was in the fact available harvest labor was distributed quite equitably. Further proof was the absence of labor controversies.

- - - - -